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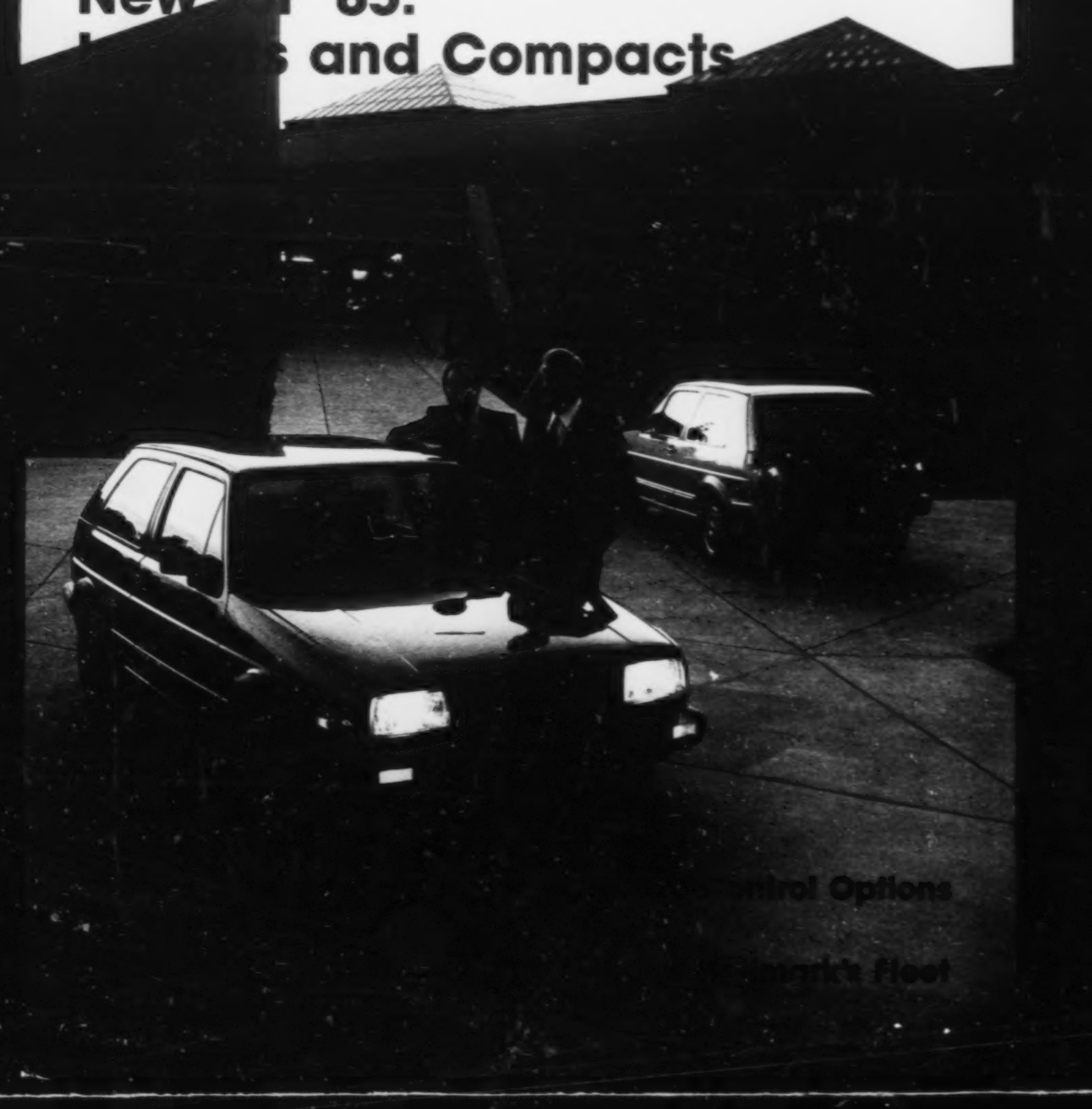
november 1984

automotive FLEET

THE MANAGEMENT MAGAZINE FOR CAR
AND LIGHT TRUCK FLEET OPERATORS

New for '85:
s and Compacts



ntrol Options

mark's Fleet

NOVEMBER 1984 VOL. 24, NO. 1

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AND LIGHT TRUCK FLEET OPERATORS

Influencing over 3.6 million cars and 1.6 million light trucks and vans in leasing, rental, business, government, taxi, police, utility, and driving schools.

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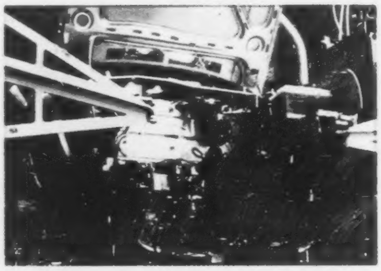

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On our cover: Manager of Fleet Sales Operations Jules Bauduc and Volkswagen Division VP James Fuller debut VWoA's domestically produced Golf compact.

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READER UPDATE

Calendar

NOVEMBER

1-2 — California License and Title Procedures Seminar, Vehicle Title Service, Sheraton-Newport Beach, CA. Info: (714) 675-1684.

7-9 — Municipal Leasing Seminar, American Association of Equipment Lessors, Fairmont Hotel, Denver, CO.

8 — National Highway Users Federation, Madison Hotel, Washington, D.C.

12-14 —Accountants Seminar, American Association of Equipment Lessors, Fairmont Hotel, Dallas, TX.

14-15 — Seminar for Fleet Administrators, National Association of Fleet Administrators and the University of Pittsburgh, Graduate School of Business, Pittsburgh, PA. Info: (412) 624-6424.

DECEMBER

9-10 — *Limousine and Chauffeur* Show and Conference, Caesar's Hotel, Atlantic City, NJ.

JANUARY

25-29 — National Automobile Dealers Association Sixty-Eighth Annual Convention and Exposition, Moscone Center, San Francisco, CA.

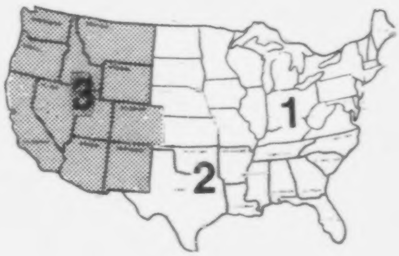
Gas Prices

UNLEADED

City	Cost Per Gallon Unleaded Full-Serve	Self-Serve
Tucson, AZ	134.6	113.2
Jacksonville, FL	142.2	116.6
Council Bluffs, IA	128.9	112.4
Terre Haute, IN	152.4	120.4
Monroe, LA	155.4	129.9
Minneapolis, MN	152.6	121.6
Omaha, NE	150.4	125.9
Santa Fe, NM	141.2	131.4
Tulsa, OK	132.6	110.2
Doylestown, PA	128.9	108.9
Columbia, SC	147.4	116.4
Aberdeen, SD	146.9	116.9
Victoria, TX	149.9	117.9
Arlington, VA	151.4	117.2
Charleston, WV	148.4	123.4

Survey conducted during the first five working days of October, 1984.
Supplied by Runzheimer and Company, Inc. Runzheimer Park, Rochester, WI.

Used Cars



The following are average car prices for the period ending October 3, 1984. Prices are based on wholesale activity at major dealer auctions across the country. They are divided into three zones as indicated on the accompanying map. These averages are calculated electronically on IBM machines. They are based on clean cars only. Proper allowance should be made for upgrading sharp cars and proper deduction taken for fair cars. Automatic transmissions have been included in the averages of all models. This information is published in *Automotive Fleet* by special permission of Automotive Market Report.

Model	AVERAGE AUCTION PRICE Zone 1	Zone 2	Zone3
83 AMC CONCORD			
Sdn	4727	4775	4680
Sta Wgn	4992	5042	4944
82 AMC CONCORD			
Sdn 6-4 Dr	3774	3813	3738
Sta Wgn	3971	4013	3931
83 BUICK SKYLARK			
Sdn Custom	5470	5526	5414
82 BUICK SKYLARK			
Sdn	4487	4533	4444
83 BUICK REGAL			
Sdn	7133	7204	7061
Cpe	7333	7408	7260
82 BUICK REGAL			
Turbo Cpe	6384	6448	6321
Cpe	6186	6248	6125
83 BUICK LESABRE			
Sdn Custom	8193	8274	8111
82 BUICK LESABRE			
Sdn Custom	6798	6865	6729
83 CADILLAC			
Cpe DeVille	12437	12562	12312
Sdn DeVille	12362	12484	12237
82 CADILLAC			
Cpe DeVille	10288	10392	10186
Sdn DeVille	10224	10327	10125
83 CHEVY			
Chvt Htchbk 2-Dr	3728	3765	3691
Chvt Htchbk 4-Dr	3811	3849	3773
Camaro Cpe 8	7860	7938	7782
82 CHEVY			
Chvt Htchbk 2-Dr	3031	3062	3000
Chvt Htchbk 4-Dr	3099	3132	3072
Camaro Cpe 8	6676	6746	6614
83 CHEVY CELEBRITY			
Sdn	6487	6554	6421
82 CHEVY CELEBRITY			
Sdn	5350	5404	5296
83 CHEVY CAVALIER			
Sdn	5259	5311	5207
82 CHEVY CAVALIER			
Sdn	4358	4400	4314
83 CHEVY CITATION			
Cpe 6	4616	4663	4571
82 CHEVY CITATION			
Cpe 6	3507	3542	3472
83 CHEVY MALIBU			
Clas Sdn	6375	6439	6310
Clas Sta Wgn	6635	6701	6570
82 CHEVY MALIBU			
Clas Sdn	5257	5311	5205
Clas Sta Wag	5484	5545	5433
83 CHEVY MONTE CARLO			
Cpe	7051	7123	6982
82 CHEVY MONTE CARLO			
Cpe	5900	5963	5842
83 CHEVY IMPALA			
Sdn	7064	7134	6993
82 CHEVY IMPALA			
Sdn	5689	5745	5631
Wgn 9	5912	5971	5854
83 CHEVY CAPRICE			
Sdn	7710	7787	7632
Sta Wag	7978	8057	7896
83 CHRYSLER			
E-Class Sdn	6886	6959	6818
82 CHRYSLER			
New Yorker Sdn	8453	8538	8370
83 DODGE OMNI			
4 Dr Cust	4354	4399	4311
82 DODGE OMNI			
4 Dr Cust	3493	3527	3459
83 DODGE ARIES			
Cpe	5320	5376	5268
82 DODGE ARIES			
Sdn	4163	4204	4119
83 DODGE DIPLOMAT			
Sln Sdn	5876	5935	5816
82 DODGE DIPLOMAT			
Sln Sdn	4702	4747	4655
83 FORD FAIRMONT			
Futura 6-Cyl Sdn 4 Dr	4906	4956	4858
82 FORD FAIRMONT			
Futura Sdn 4-Dr	3898	3936	3859
83 FORD MUSTANG			
L-Cpe 4	5241	5292	5188
82 FORD MUSTANG			
L-Cpe 4	4260	4305	4220
82 FORD GRANADA			
Sdn 6-L	4535	4582	4488
83 FORD LTD			
Sdn	6303	6367	6240
82 FORD LTD			
Sdn	6019	6075	5957
82 FORD ESCORT			
Sdn 4 Dr	3320	3352	3286
83 FORD CROWN VIC			
Sdn	8697	8785	8612
82 FORD CROWN VIC			
Sdn	6843	6912	6773
83 FORD THUNDERBIRD			
Cpe	7454	7528	7379
82 FORD THUNDERBIRD			
Cpe	5954	6013	5892
83 LINCOLN CONTINENTAL			
Sdn	14463	14605	14317
Mark VI Cpe	14761	14907	14615
82 LINCOLN CONTINENTAL			
Sdn	11880	11997	11762
Mark VI Cpe	12212	12333	12089
83 MERCURY COUGAR			
Cpe	7588	7665	7513
82 MERCURY COUGAR			
GS Cpe	4578	4623	4533
Sdn	4578	4623	4533
82 MERCURY ZEPHYR			
Sdn 4 Dr	3958	3996	3916
83 MERCURY LYNX			
HtchBk 2-Dr	4248	4291	4207
83 MERCURY MARQUIS			
Sdn	6382	6446	6318
82 MERCURY MARQUIS			
Sdn	6345	6406	6282
Wgn 2S	6542	6609	6476
83 OLDS CIERA LS			
Cpe	6840	6909	6773
Sdn	6930	7002	6863
83 OLDS CUTLASS SUPREME			
Cpe	7431	7504	7356
Sdn	7227	7298	7153
82 OLDS CUTLASS SUPREME			
Sdn	6014	6074	5955
Cpe	6252	6317	6192
83 OLDS DELTA			
Sdn	7879	7961	7804
82 PLYMOUTH HORIZON			
4 Dr Htchbk	3219	3253	3188
83 PLYMOUTH RELIANT			
Cpe	5333	5386	5281
82 PLYMOUTH RELIANT			
Cpe	4149	4191	4110
82 PONTIAC FIREBIRD			
Cpe 8	6726	6794	6659
82 PONTIAC BONNEVILLE			
Sdn 6	5724	5783	5667
83 PONTIAC PHOENIX			
Cpe	5011	5064	4964
Htchbk Sdn	5011	5064	4964
82 PONTIAC PHOENIX			
Cpe 6	4133	4175	4093
83 VOLKSWAGEN RABBIT			
2 Dr Htchbk	4634	4681	4588
82 VOLKSWAGEN RABBIT			
2-Dr Htchbk	3587	3623	3551
83 DATSUN			
Sentra 2 Dr Std Sdn	4130	4172	4089
Stanza Hbk 4 Dr Dlx	5628	5665	5574
82 DATSUN			
210 Std 2 Dr	3191	3222	3160
Sentra 2 Dr	3499	3534	3464
Stanza Htchbk	4661	4707	4615
83 TOYOTA			
Corolla Sedan 2 Dr	4969	5020	4920
Celica St	6861	6929	6792
Camry	7950	8030	7870
82 TOYOTA			
Corolla 2 Dr Sdn	4122	4164	4081
Celica St Cpe	5572	5627	5516
Corona Sdn Lux	5662	5719	5606

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THE MANAGEMENT MAGAZINE FOR CAR
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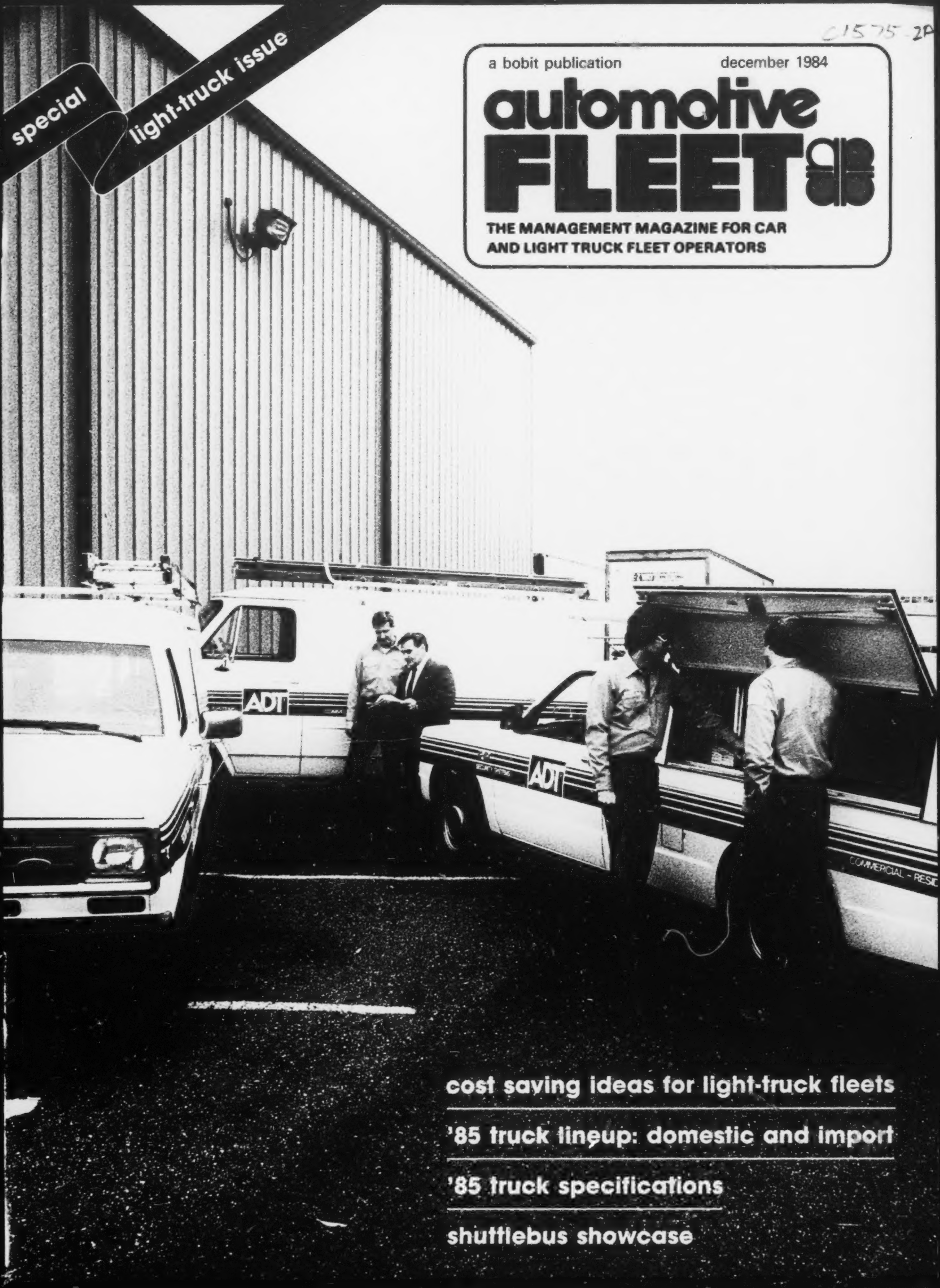
special light-truck issue



cost saving ideas for light-truck fleets

'85 truck lineup: domestic and import

'85 truck specifications

shuttlebus showcase

DECEMBER 1984 VOL. 24, NO. 2

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On our cover: Mating minis with utility bodies has proved a winning combination for John Africano (center), fleet manager for American District Telegraph.

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JANUARY

25-29 —National Automobile Dealers Association Sixty-Eighth Annual Convention and Exposition, Moscone Center, San Francisco, CA.

FEBRUARY

12-13 —NAFA's Advanced Fleet Management Seminar, Norwalk, CA.

13-17 —Truck Renting and Leasing Association Convention, Registry Resort, Scottsdale, AZ.

26-28 —NAFA's Basic Principles of Fleet Management Seminar, College Park, GA.

27- March 2 —National Truck Equipment Association Convention, Monterey Conference Center, Monterery, CA.

MARCH

4-7 — NAFA's Automotive Systems and Maintenance Technologies Seminar, Houston, TX.

9-11 — American Automotive Leasing Association Convention, Americana Canyon Hotel, Palm Springs, CA.

20-24 — American Car Rental Association Convention, Williamsburg, VA.

Gas Prices

	UNLEADED	
	Cost Per Gallon Unleaded	
City	**Full-Serve**	**Self-Serve**
Juneau, AK	154.4	145.9
Needles, CA	152.9	138.9
Denver, CO	144.5	115.9
New London, CT	144.6	119.7
Orlando, FL	139.9	113.9
Joliet, IL	148.9	118.9
Wichita, KS	138.9	111.6
Paducah, KY	118.4	113.9
Kalamazoo, MI	154.9	121.9
Joplin, MO	126.9	106.9
Rochester, NY	125.9	116.9
Yakima, WA	159.9	127.4
Philadelphia, PA	133.3	110.5
Charleston, SC	143.5	120.0
Bellaire, TX	142.9 .	106.9

Survey conducted during the first five working days of November, 1984.
Supplied by Runzheimer and Company, Inc. Runzheimer Park, Rochester, WI.

U.S. Light Truck Statistics

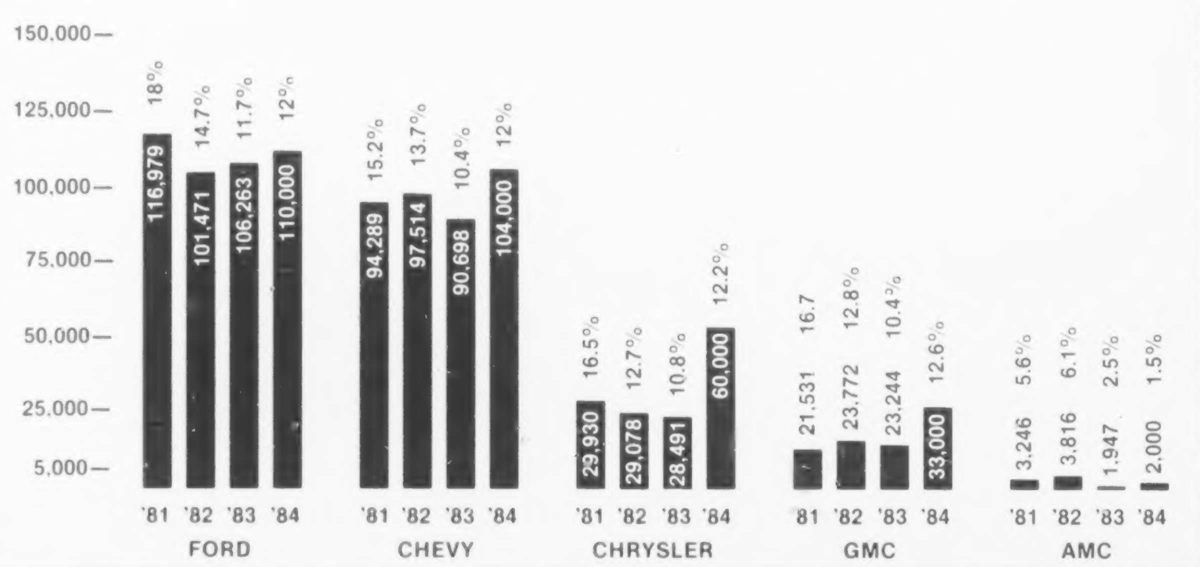
New 1976 to 1984 Light Truck Registrations Reported
National and Fleet Totals — Class I & II

Source: Automotive Fleet Research Dept.

MAKE		1976	1977	1978	1979	1980	1981	1982	1983	1st 7 Mos. 1984
Total		2,693,646	3,069,482	3,518,374	4,065,190	2,749,051	1,926,887	2,237,843	2,339,897	2,151,595
Fleet		219,736	298,662	355,415	551,096	429,186	278,121	282,517	250,633	206,204
% Fleet		*8.2*	*9.7*	*10.1*	*13.6*	*15.6*	*14.4*	*12.6*	*10.7*	*9.6*
CHEVY		1,011,377	1,078,692	1,233,932	1,832,454	1,114,847	619,997	726,358	869,913	608,561
		78,625	103,727	123,369	156,170	117,983	94,289	97,514	90,688	73,353
		7.77	*9.62*	*9.99*	*8.52*	*10.58*	*15.2*	*13.4*	*10.4*	*12.1*
FORD		870,231	1,036,213	1,219,693	1,185,000	795,000	648,804	689,941	905,846	640,541
		77,661	105,721	124,823	284,000	206,700	116,979	101,471	106,263	77,037
		8.92	*10.20*	*10.23*	*24.00*	*26.00*	*18.00*	*14.7*	*11.7*	*12.0*
GMC		223,805	234,992	283,540	236,750	141,744	128,615	186,257	223,998	153,784
		15,251	21,618	27,552	30,591	23,498	21,531	23,772	23,244	19,453
		6.81	*9.20*	*9.72*	*12.92*	*16.57*	*16.7*	*12.8*	*10.4*	*12.6*
DODGE & PLYMOUTH		333,201	385,125	396,268	400,945	347,138	181,308	228,232	263,687	288,028
		31,694	40,823	41,603	48,794	52,731	29,930	29,078	28,491	35,231
		9.51	*10.60*	*10.50*	*12.16*	*15.90*	*16.50*	*12.7*	*10.8*	*12.2*
AMC/JEEP		95,506	115,079	161,912	140,431	77,852	58,257	62,097	76,453	80,421
		11,461	17,262	21,979	20,875	11,498	3,246	3,816	1,947	1,130
		12.00	*15.00*	*13.57*	*14.86*	*14.76*	*5.60*	*6.1*	*2.5*	*1.4*
OTHER Incl. VW, etc.		NA	NA	210,274	258,017	294,529	317,250	344,958	437,797	380,260

1981-1984 Light Truck *Fleet Sales* By Maker — Plus % of Retail

('84 Estimated — Extended from 7 Mo. Figures)



Import Light Truck Market Statistics

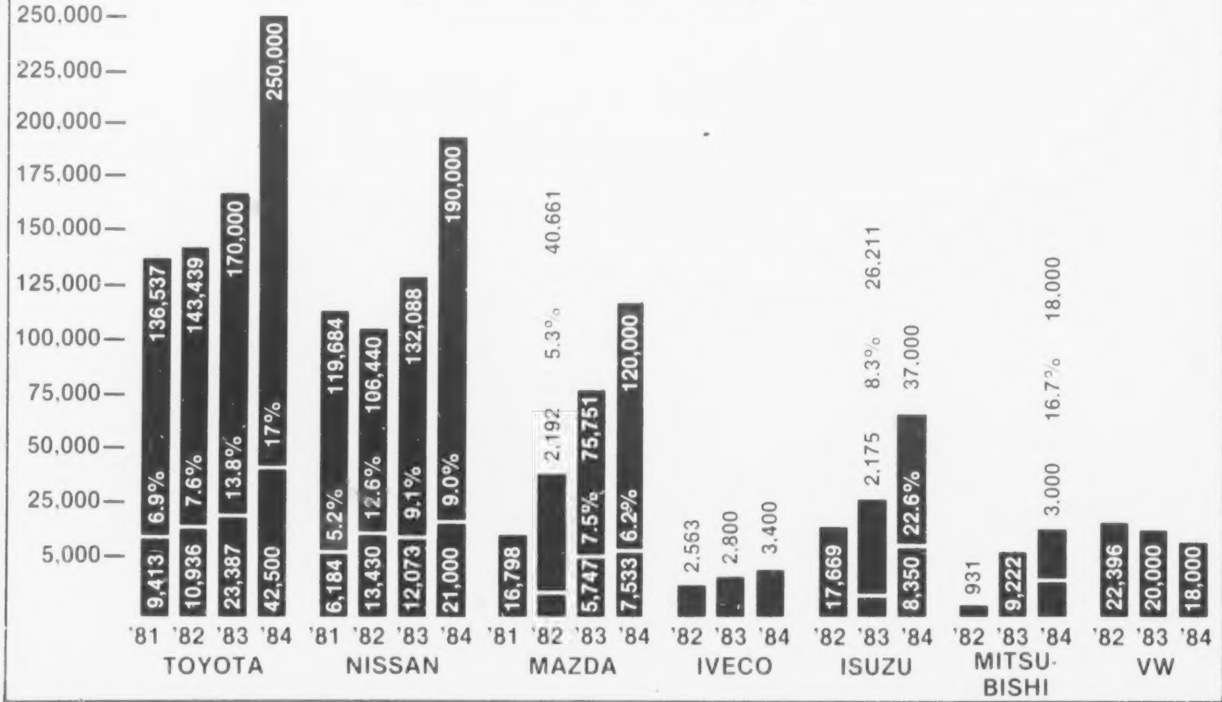
New 1976 to 1984 Light Truck Registrations Reported Class I & II National and Fleet Totals

Source: Automotive Fleet Research Dept.

MAKE	1976	1977	1978	1979	1980	1981	1982	1983	1st 9 Mos. 1984
TOYOTA									
1. Total	49.823	83.600	94.882	130.648	131.648	130.379	143.439	170.000	194.641
2. Fleet	27	2.526	10.966	4.620	14.624	9.413	10.936	23.387	31.767
3. % Fleet	*.01*	*3.02*	*11.55*	*3.53*	*11.1%*	*7.2%*	*7.6*	*13.8*	*16.3*
NISSAN	71.902	102.071	87.645	104.866	113.242	119.684	106.440	132.088	147.753
	2.257	3.797	5.123	6.046	8.045	6.184	13.430	12.073	13.081
	3.13	*3.71*	*5.84*	*5.76*	*7.10*	*5.50*	*12.6*	*9.1*	*8.9*
MAZDA	3.032	1.318	4.708	8.302	8.775	16.798	40.661	75.751	90.585
							2.192	5.747	5.343
							5.3	*7.5*	*5.8*
ISUZU						9.959	17.669	26.211	27.528
								2.175	6.359
								8.3	*23.1*
MITSUBISHI							931	9.222	15.000
									2.400
									16.0
IVECO							2.563	2.800	2.550

1981-1984 Total Light Truck Sales & Fleet Sales for Imports Plus VW

('84 Estimated from 9 Mo. Figures)



Light Truck / Van Sales Statistics

Preliminary New Truck Retail Sales by G.V.W.

(Including Imports of U.S. Manufacturers)

	August		1984/1983 Percent Change	Year to Date		1984/1983 Percent Change
	1984	1983		1984	1983	
Class I	148,048	99,311	+ 49.1	1,373,672	838,878	+ 63.8
Class II	83,121	85,750	− 3.1	834,889	767,687	+ 8.8

RETAIL SALES OF NEW TRUCKS BY FRANCHISED DEALERS OF U.S. MANUFACTURERS

Gross Vehicle Weight	1978	1979	1980	1981	1982	1983
0-6,000 lbs.						
Utility	79.588	74.878	50.842	36.389	50.735	253.823
Car-Type Pickup	83.522	77.094	49.696	37.080	25.305	26.170
Compact Pickup						
Domestic	—	78	25.525	59.431	359.177	433.167
Import	140.736	225.410	228.878	159.551	95.277	55.143
Van	126.072	110.393	78.871	74.983	74.546	67.299
Mini Van	—	—	—	—	—	18
Conventional Pickup (Incl. extended & crew cabs)	904.002	783.035	544.959	520.180	485.977	445.370
Station Wgn (Truck Chassis)	—	—	—	—	—	8.394
Mini Passenger Carrier	—	—	—	—	—	8.174
Passenger Carrier	472	439	6.446	8.333	10.608	16.364
Total 0-6,000 lbs.	**1.334.392**	**1.271.327**	**985.947**	**895.947**	**1.101.625**	**1.313.922**
6,001-10,000 lbs.						
Utility	275.790	205.181	107.541	70.938	76.457	84.493
Van	471.334	331.848	172.045	168.469	207.466	311.207
Van Cutaway Chassis	76.277	43.797	19.918	21.662	30.951	45.228
Conventional Pickup (Incl. extended & crew cabs)	1.171.257	884.551	545.720	468.730	484.909	573.918
Station Wgn. (Truck Chassis)	100.395	73.294	38.807	37.564	54.517	68.844
Passenger Carrier	6.398	4.792	65.917	56.964	74 992	76.985
Multi-Stop	38.193	30.816	24.867	25.622	3[illegible] 771	45.924
Total 6,001-10,000 lbs.	**2.139.644**	**1.574.279**	**974.815**	**849.949**	**961.063**	**1.206.599**

U.S. TRUCK AND BUS FACTORY SALES BY BODY TYPE

	1977	1978	1979	1980	1981	1982	1983
Under 10,000 lbs. G.V.W.							
Pickup	1.937.716	1.969.518	1.623.875	931.093	933.809	1.141.050	1.278.099
Compact or Passenger Car Type	84.091	90.295	81.919	70.456	137.766	445.082	500.827
Conventional	1.853.625	1.879.223	1.541.956	860.637	796.043	695.968	777.272
Multi-Stop	36.326	40.368	30.111	20.966	28.637	32.036	47.465
Van	519.532	547.939	391.667	131.346	177.497	192.681	284.607
Station Wgn (on Truck Chassis)	139.903	153.979	136.678	60.634	65.895	88.418	117.931
Passenger Carrier	7.080	4.484	3.619	39.273	37.227	47.066	44.135
General Utility	295.424	371.978	295.642	126.687	136.810	153.230	396.718
Other	113.577	133.840	126.484	76.524	65.528	67.066	50.938
Total Under 10,000 lbs. G.V.W.	**3.049.558**	**3.222.106**	**2.608.076**	**1.386.523**	**1.445.403**	**1.721.547**	**2.219.893**
Over 10,000 lbs. G.V.W.							
Multi-Stop	19.932	79.504	21.706	5.648	793	485	
Buses (Incl. School Bus Chassis)	31.668	35.342	32.498	34.385	27.295	26.260	26.212
Trucks with Fixed Cabs 96" BBC or Shorter	117.347	123.276	104.749	69.691	54.811	28.118	42.951
Trucks with Movable Cabs	73.283	73.467	76.640	46.365	35.259	34.845	37.347
Other Body Types	149.733	172.544	193.037	124.671	137.347	94.888	87.009
Total Over 10,000 lbs. G.V.W.	**391.963**	**484.133**	**428.630**	**280.760**	**255.505**	**184.908**	**194.004**
Total	**3.441.521**	**3.706.239**	**3.036.706**	**1.667.283**	**1.700.908**	**1.906.455**	**2.413.897**

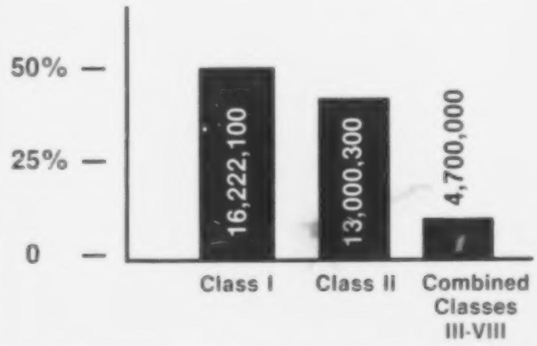
Light Truck Statistics, Continued

U.S. FACTORY SALES OF DIESEL TRUCKS BY GROSS VEHICLE WEIGHT, POUNDS

TOTAL	6,000 & Less	6,001 10,000	Total Class I & II
1983	26,355	93,453	119,808
1982	47,973	74,929	122,902
1981	52,487	20,862	73,349
1980	72,501	4,973	77,474
1979	33,019	950	33,969
1978	35,019	990	36,009
1977	2,392	1,128	3,520
1976	—	1,596	1,596

Source: Motor Vehicle Manufacturers Assn. (MVMA)

U.S. FACTORY TRUCK SALES By GVW As Combined For Years 1969-1983



Note: Classes I & II combined account for 86.2% for this period.

Source: Automotive Fleet Research Dept.

ESTIMATED COST OF OWNING AND OPERATING A 1984 MODEL PASSENGER VAN*

(Total Costs in Dollars, Costs Per Mile in Cents)

ITEM	First Year (14,500 Miles) Total Cost	First Year (14,500 Miles) Cost Per Mile	Second Year (13,700 Miles) Total Cost	Second Year (13,700 Miles) Cost Per Mile	Third Year (12,500 Miles) Total Cost	Third Year (12,500 Miles) Cost Per Mile
Cost Excluding Taxes						
Depreciation	3,914.00	26.99	1,851,00	13.51	1,356.00	10.85
Scheduled Maintenance	(113.12)	(.78)	(248.72)	(1.82)	(126.72)	(1.01)
Nonscheduled Repairs and Maintenance	(27.00)	(.19)	(190.20)	(1.39)	(477.09	(3.82)
Total Repairs and Maintenance	140.12	.97	438.92	3.21	603.81	4.83
Replacement Tires	16.20	.11	15.27	.11	64.01	.51
Accessories	17.40	.12	16.63	.12	15.54	.12
Gasoline	1,298.21	8.95	1,226.62	8.95	1,119.19	8.95
Oil	10.50	.07	13.25	.14	19.25	.16
Insurance	1,129	7.79	1,129.00	8.24	1,129.00	9.03
Parking and Tolls	136.56	.94	128.66	.94	117.37	.94
Total	**6,661.99**	**45.94**	**4,825.35**	**35.22**	**4,424.17**	**35.39**
Taxes and Fees: State						
Gasoline	150.57	1.04	142.26	1.04	129.80	1.04
Registration	30.00	21	30.00	.22	30.00	.24
Titling	639.40	4.41	—	—	—	—
Operating Cost Sales Tax 2/	(.15)	(.01)	(7.06)	(.05)	(16.31)	(.13)
Nonoperating Cost Sales Tax	(2.02)	(.01)	(9.21)	(.07)	(1.93)	(.02)
Total Sales Tax	2.17	.01	16.27	.12	18.24	.15
Subtotal	**822.14**	**5.67**	**188.53**	**1.39**	**178.04**	**1.43**
Federal						
Gasoline	100.38	69	94.84	69	86.54	.69
Total Taxes	**922.52**	**6.36**	**283.37**	**2.07**	**264.58**	**2.12**
Operating Costs	1,739.57	11.99	1,824	13.31	2,029.56	16.24
Ownership Costs	5,844.94	40.31	3,284.56	23.98	2,659.19	21.27
Total of All Costs	**7,584.51**	**52.30**	**5,108.72**	**37.27**	**4,688.75**	**37.51**

*Based on a 12-passenger van, weighing less than 5,000 pounds, equipped with 8-cylinder engine, automatic transmission, power steering/brakes, dual A/C and heater, costing $12,788. *Source: Federal Highway Administration (FHWA)*

Top Twenty-Five Business/Commercial Light Truck & Van Fleets

'84	'83			
1.	1.	Sears Roebuck Chicago, IL	William Jones, III	13,000
2.	2.	Frito-Lay Dallas, TX	Gorman Green Marvin Crow Charles Loveless	12,266
3.	4.	Federal Express Corp. Memphis, TN	George Bollor	6,649
4.	7.	ARA Services Philadelphia, PA	Ralph Jamic	5,000
5.	—	Union Pacific System Omaha, NE	Don Dyer	3,900
6.	8.	Purolator Services New Hyde Park, NY	Jack Neusch	3,500
7.	9.	Standard Oil Co. (IN) Chicago, IL	Richard Swanson	3,500
8.	5.	Goodyear Akron, OH	A.P. Spencer	3,288
9.	22.	Rollins Inc. Atlanta, GA	Porter Thompson	2,978
10.	11.	Burlington Northern Railroad St. Paul, MN	John Long	2,900
11.	13.	Shell Oil Co. Houston, TX	J.A. "Judy" Wieman	2,850
12.	14.	Exxon Co. U.S.A. Houston, TX	Jack Lamb	2,800
13.	15.	Phillips Petroleum Co. Bartlesville, OK	J.I. Grillot E.A. Taylor	2,620
14.	12.	General Electric-Major Appl. Bus. Group- Louisville, KY	Mary Sue Leach V.J. Miska	2,600
15.	—	Westinghouse Louisville, KY	Lou Dobak	2,515
16.	18.	Canteen Corp. Chicago, IL	Mark Klein	2,500
17.	19.	Dow Chemical USA Midland, MI	Ron Smith Tim Sheehan	2,500
18.	16.	Johnson Controls, Inc. Milwaukee, WI	Bob Borchert	2,500
19.	20.	Union Carbide Corp. New York, NY	Walt Dzitko	2,500
20.	21.	Xerox Corp. Rochester, NY	Ron Pink	2,500
21.	23.	Honeywell, Inc. Minneapolis, MN	Connie Wesley	2,325
22.	24.	U.S. Steel Pittsburgh, PA	W.T. "Bill" Herlihy	2,200
23.	—	I.C. Industries Chicago, IL	E. Pierce Walsh Mary Anicich	2,010
24.	25.	Brown & Root, Inc. Houston, TX	Roger Ivey	2,000
25.	10.	Tenneco, Inc. Houston, TX	J.R. Jack Gudelman	1,945

TOTAL 93,346

Top Twenty-Five Utility Light Truck & Van Fleets

'84	'83			
1.	1.	Southwestern Bell St. Louis, MO	Elizabeth Towns	16,216
2.	2.	Southern Bell T & T Atlanta, GA	Richard McDonald	12,300
3.	3.	Pacific Bell San Francisco, CA	Roger Weaver	11,655
4.	4.	United Telephone System, Inc. Shawnee Mission, KS	Hugh Pilkenton	7,586
5.	6.	General Tel. of CA Pomona, CA	Del Wingerd	5,825
6.	5.	New York Telephone Brooklyn, NY	Lindsay Payne	5,551
7.	7.	New England T&T Boston, MA	Mid Batchelder	4,485
8.	8.	Continental Telephone Atlanta, GA	George Weimer	4,271
9.	12.	Mountain Bell Denver, CO	Jerry Vegwert	3,500
10.	9.	Bell Tel. and Diamond State Tel. Philadelphia, PA	Will Biggs	3,300
11.	20.	General Telephone of Southwest San Angelo, TX	Paul Melton	3,045
12.	13.	Pacific N.W. Bell Seattle, WA	Pete Labarge	2,930
13.	14.	American Electric Power Service Canton, OH	Dick Stage	2,555
14.	16.	Southern California Edison — Rosemead, CA	Dennis Stewart	2,130
15.	17.	Pacific Gas & Electric Davis, CA	J. Roman	1,900
16.	15.	Consumers Power Co. Jackson, MI	John Schafer	1,705
17.	19.	Southern New England Telephone Co. New Haven, CT	G. Welker	1,650
18.	20.	General Public Utility Parsippany, NJ	Vincent Murphy	1,217
19.	—	Columbia Gas Dist. Co. Columbus, OH	Timothy L. Weber	1,206
20.	—	Public Service Electric and Gas Co. Newark, NJ	A.T. Ela	1,199
21.	—	Public Service Company of Colorado Denver, CO	R. Fields	1,120
22.	21.	Bell Telephone of PA Pittsburgh, PA	Roger Metzger	1,100
23.	22.	Michigan Consolidated Gas Company Detroit, MI	E.G. Morrison	1,038
24.	23.	Florida Light and Power Miami, FL	George Lindemeyer	986
25.	24.	Public Services Indiana Plainfield, IN	M.L. Hesson	599
TOTAL				**93,346**

Will Minis Pass the Test?

Fleet Study: No 'Maxi' Move Toward Minivans

While one-third of all corporate fleets plan to add minivans next year, most are still hedging their bets. That's the conclusion of a new "minisurvey" by *Runzheimer Reports on Transportation*, a newsletter published by Runzheimer International of Rochester, WI.

Based on a sampling of fleets for 30 U.S. firms, the poll found 33 percent intend to purchase minivans in '85, 47 percent have no such plans, and 20 percent aren't sure yet.

"The (new minivan orders) suggest that testing is underway, but fleets have not yet moved to wholesale acceptance of this new vehicle category," the newsletter said. "Indeed, several of the 'no-plans-to-order' respondents are in a 'wait and see mode,' as one fleet manager put it — waiting to see if minivans pass the fleet utility and survival tests."

The "minivan craze" hit more than a year ago, with VW's veteran Vanagon model joined by smaller entries from Toyota and Chrysler. Calendar year 1985 will see introductions by GM and Ford; the Renault Espace will be imported from Europe beginning in '86. On average, the new vehicles measure 175 inches long and some 70 inches high. They offer manual transmissions, payloads of 1,500-2,000 pounds, and (cargo versions or) passenger capacities of seven to eight. EPA fuel ratings are in the neighborhood of 25/35 mpg.

According to the Runzheimer newsletter, nine of the 30 firms surveyed already have one or more minivans in their fleets; the average number of vans is 11, with a range between one and 24. These firms are twice as likely to obtain minis in '85 than are the 21 companies without any small vans yet, Runzheimer says.

One company moving enthusiastically toward the new vehicles is Reliance Electric, an Ohio-based, wholly-owned subsidiary of Exxon Corp. with a leased fleet exceeding 3,000 cars and trucks. Last March, Reliance placed 12 Chrysler T-wagons in the service fleet of its Toledo Scale division, comprised mostly of some 300 full-sized vans. The T-wagons' performance has been so positive, Reliance may eventually replace 95 percent of the full-size models with minis. And it might do the same with the subsidiary's 100-station wagon sales fleet.

Fleets Adding Minivans in 1985

Fleets with Minivans	
Yes	55%
No	1%
Don't Know	44%
Fleets without Minivans	
Yes	25%
No	65%
Don't Know	10%
All Fleets	
Yes	33%
No	47%
Don't Know	20%

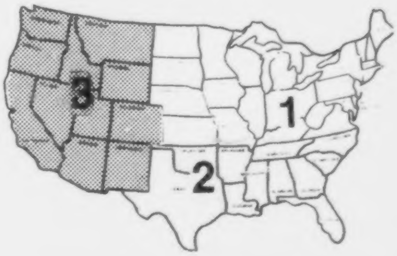
"We've had little or no trouble with the (test vehicles), and our drivers absolutely wish everybody could have them," says Gary Hiles, the company's truck-fleet manager. "Where our full-size vans from Ford, Chevy, and Chrysler average 11.5-12 mpg, the minivans are getting about 22.5 mpg. The small vans offer a lot more utility than the station wagons, and we're anticipating a better resale value all around."

Reliance favors the Chrysler entry, Hiles says, mostly for its front-wheel drive feature and its five-year/50,000 mile warranty. However, he adds, "we may have to review that position as other minivans become available down the road."

Replying to the Runzheimer survey, most of the fleet managers with no plans to purchase new minis stated that the vehicles are simply unsuited to their current needs. One manager in California, for example, said that all his drivers are "salespersons who have little or nothing to carry." In Texas, a wholesale company prefers trucks to haul its bathtubs. And another fleet opts for "small, maneuverable cars because drivers are medical couriers and must pick up specimens."

PRICING UPDATE

Used Cars



The following are average car prices for the period ending October 31, 1984. Prices are based on wholesale activity at major dealer auctions across the country. They are divided into three zones as indicated on the accompanying map. These averages are calculated electronically on IBM machines. They are based on clean cars only. Proper allowance should be made for upgrading sharp cars and proper deduction taken for fair cars. Automatic transmissions have been included in the averages of all models. This information is published in *Automotive Fleet* by special permission of Automotive Market Report.

	AVERAGE AUCTION PRICE		
Model	**Zone 1**	**Zone 2**	**Zone3**
83 AMC CONCORD			
Sdn	4713	4761	4666
Sta Wgn	4977	5027	4929
82 AMC CONCORD			
Sdn 6-4 Dr	3763	3802	3727
Sta Wgn	3959	4001	3919
83 BUICK SKYLARK			
Sdn Custom	5470	5526	5414
82 BUICK SKYLARK			
Sdn	4487	4533	4444
83 BUICK REGAL			
Sdn	7091	7160	7019
Cpe	7289	7364	7216
82 BUICK REGAL			
Turbo Cpe	6346	6410	6283
Cpe	6148	6210	6089
83 BUICK LESABRE			
Sdn Custom	8152	8233	8070
82 BUICK LESABRE			
Sdn Custom	6750	6817	6682
83 CADILLAC			
Cpe DeVille	12350	12474	12226
Sdn DeVille	12276	12397	12151
82 CADILLAC			
Cpe DeVille	10196	10298	10094
Sdn DeVille	10132	10235	10034
83 CHEVY			
Chvt Htchbk 2-Dr	3860	3716	3643
Chvt Htchbk 4-Dr	3762	3799	3724
Camaro Cpe 8	7742	7820	7665
82 CHEVY			
Chvt Htchbk 2-Dr	2992	3022	2961
Chvt Htchbk 4-Dr	3059	3092	3032
Camaro Cpe 8	6589	6659	6528
83 CHEVY CELEBRITY			
Sdn	6429	6495	6363
82 CHEVY CELEBRITY			
Sdn	5312	5366	5259
83 CHEVY CAVALIER			
Sdn	5259	5311	5207
82 CHEVY CAVALIER			
Sdn	4323	4365	4279
83 CHEVY CITATION			
Cpe 6	4602	4649	4557
82 CHEVY CITATION			
Cpe 6	3496	3531	3462
83 CHEVY MALIBU			
Clas Sdn	6349	6413	6285
Clas Sta Wgn	6608	6674	6544
82 CHEVY MALIBU			
Clas Sdn	5210	5264	5158
Clas Sta Wag	5435	5495	5384
83 CHEVY MONTE CARLO			
Cpe	7030	7102	6961
82 CHEVY MONTE CARLO			
Cpe	5870	5933	5813
83 CHEVY IMPALA			
Sdn	7015	7084	6944
82 CHEVY IMPALA			
Sdn	5650	5705	5592
Wgn 9	5870	5929	5813
83 CHEVY CAPRICE			
Sdn	7657	7732	7579
Sta Wag	7922	8001	7841
83 CHRYSLER			
E-Class Sdn	6804	6875	6736
82 CHRYSLER			
New Yorker Sdn	8411	8495	8328
83 DODGE OMNI			
4 Dr Cust	4425	4470	4381
82 DODGE OMNI			
4 Dr Cust	3459	3491	3425
83 DODGE ARIES			
Cpe	5241	5295	5189
82 DODGE ARIES			
Sdn	4100	4141	4058
83 DODGE DIPLOMAT			
Sln Sdn	5847	5905	5787
82 DODGE DIPLOMAT			
Sln Sdn	4670	4714	4623
83 FORD FAIRMONT			
Futura 6-Cyl Sdn 4 Dr	4906	4956	4858
82 FORD FAIRMONT			
Futura Sdn 4-Dr	3867	3904	3828
83 FORD MUSTANG			
L-Cpe 4	5231	5281	5178
82 FORD MUSTANG			
L-Cpe 4	4251	4296	4212
82 FORD GRANADA			
Sdn 6-L	4498	4545	4453
83 FORD LTD			
Sdn	6259	6322	6197
82 FORD LTD			
Sdn	5971	6027	5909
82 FORD ESCORT			
Sdn 4 Dr	3376	3413	3344
83 FORD CROWN VIC			
Sdn	8654	8741	8569
82 FORD CROWN VIC			
Sdn	6788	6857	6719
83 FORD THUNDERBIRD			
Cpe	7417	7490	7342
82 FORD THUNDERBIRD			
Cpe	5918	5977	5856
83 LINCOLN CONTINENTAL			
Sdn	14362	14503	14217
Mark VI Cpe	14658	14803	14513
82 LINCOLN CONTINENTAL			
Sdn	11797	11913	11680
Mark VI Cpe	12126	12247	12005
83 MERCURY COUGAR			
Cpe	7550	7627	7475
82 MERCURY COUGAR			
GS Cpe	4541	4586	4496
Sdn	4541	4586	4496
82 MERCURY ZEPHYR			
Sdn 4 Dr	3926	3964	3884
83 MERCURY LYNX			
HtchBk 2-Dr	4206	4248	4165
83 MERCURY MARQUIS			
Sdn	6337	6401	6273
82 MERCURY MARQUIS			
Sdn	6282	6342	6219
Wgn-2S	6476	6543	6412
83 OLDS CIERA LS			
Cpe	6799	6867	6733
Sdn	6888	6960	6821
83 OLDS CUTLASS SUPREME			
Cpe	7387	7459	7312
Sdn	7183	7254	7111
82 OLDS CUTLASS SUPREME			
Sdn	5978	6038	5919
Cpe	6214	6279	6154
83 OLDS DELTA			
Sdn	7840	7921	7765
82 PLYMOUTH HORIZON			
4 Dr Htchbk	3187	3220	3156
83 PLYMOUTH RELIANT			
Cpe	5254	5305	5202
82 PLYMOUTH RELIANT			
Cpe	4087	4128	4049
82 PONTIAC FIREBIRD			
Cpe 8	6639	6706	6572
82 PONTIAC BONNEVILLE			
Sdn 6	5695	5754	5639
83 PONTIAC PHOENIX			
Cpe	4996	5049	4949
Htchbk Sdn	4996	5049	4949
82 PONTIAC PHOENIX			
Cpe 6	4121	4162	4081
83 VOLKSWAGEN RABBIT			
2 Dr Htchbk	4634	4681	4588
82 VOLKSWAGEN RABBIT			
2-Dr Htchbk	3587	3623	3551
83 DATSUN			
Sentra 2 Dr Std Sdn	4130	4172	4089
Stanza Hbk 4 Dr Dlx	5628	5685	5574
82 DATSUN			
210 Std 2 Dr	3191	3222	3160
Sentra 2 Dr	3499	3534	3464
Stanza Hbk 4 Dr Dlx	4661	4707	4615
83 TOYOTA			
Corolla Sedan 2 Dr	4969	5020	4920
Celica St	6861	6929	6792
Camry	7950	8030	7870
82 TOYOTA			
Corolla 2 Dr Sdn	4122	4164	4081
Celica St Cpe	5572	5627	5516
Corona Sdn Lux	5662	5719	5606

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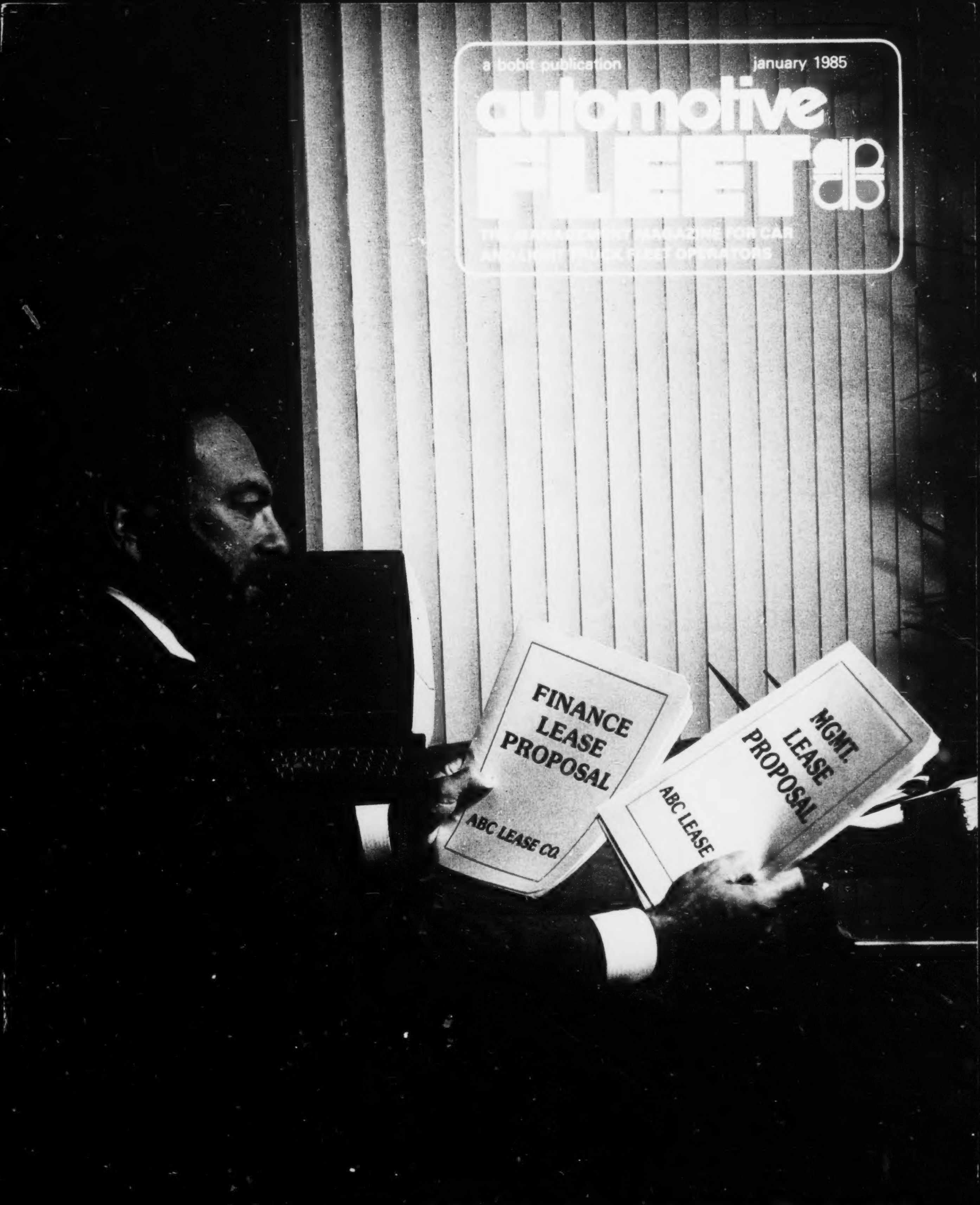
january 1985

automotive FLEET

THE MANAGEMENT MAGAZINE FOR CAR AND LIGHT TRUCK FLEET OPERATORS


FINANCE LEASE PROPOSAL
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Special Leasing Report

JANUARY 1985 Vol. 24, No. 3

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THE MANAGEMENT MAGAZINE FOR CAR
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Influencing over 3.6 million cars and 1.6 million light trucks and vans in leasing, rental, business, government, taxi, police, utility, and driving schools.

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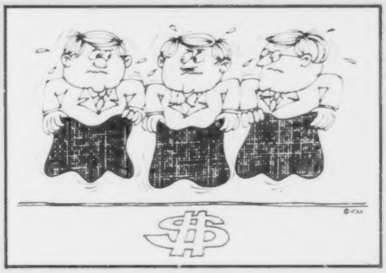

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On our cover: A fleet manager's decisions involve big corporate dollars. Here, Bill Feldhorn of National Coach ponders two lease options.

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READER UPDATE

Calendar

JANUARY

24-25 — Financing Commercial Fleet Vehicles, Institute for International Research, St. Moritz Hotel, New York, NY; information: (212) 883-1770.

25 — Special Leasing Seminar on Personal-Use and Luxury-Car Tax, American Automotive Leasing Association, Howard Johnson Conference Center, Chicago, IL; information: (414) 355-8379.

25-29 — National Automobile Dealers Association Sixty-Eighth Annual Convention and Exposition, Moscone Center, San Francisco, CA.

28-30 — Lease Management Training Course, by Leasemark Corp., Orlando Marriott Inn, Orlando, FL; information: (305) 351-2420.

28-29 — New Vistas in Transportation Leasing, *Leasing Digest* Magazine, Plaza Hotel, New York, NY; information: (212) 227-2860.

FEBRUARY

4 — Wholesalers Management Conference, Automotive Service Industry Association, MGM Grand Hotel, Las Vegas, NV; information: (312) 836-1300.

6-8 — International Automotive Aftermarket Show, Pacific Automotive Show, Las Vegas Hilton, Las Vegas, NV; information: (818) 995-0284.

12-13 — NAFA's Advanced Fleet Management Seminar, Norwalk, CA.

13-17 — Truck Renting and Leasing Association Convention, Registry Resort, Scottsdale, AZ.

Gas Prices

	UNLEADED	
	Cost Per Gallon	
City	**Full-Serve**	**Self-Serve**
Marysville, CA	157.9	126.4
Glenwood Springs, CO	147.0	135.4
Miami, FL	143.5	113.8
Honolulu, HI	168.1	143.6
Kansas City, MO	129.7	106.9
New Brunswick, NJ	106.9	106.9
Reno, NV	148.9	127.9
Staten Island, NY	140.2	136.2
Doylestown, PA	128.4	107.9
Knoxville, TN	135.2	110.6
Fort Worth, TX	143.9	111.6
Arlington, VA	150.9	116.2
Bennington, VT	139.4	118.4
Olympia, WA	151.5	123.9
Madison, WI	139.8	119.0

Survey conducted during the first five working days of December, 1984. Supplied by Runzheimer and Company, Inc. Runzheimer Park, Rochester, WI.

Industry News

vehicles at a new plant in Flat Rock, MI. Construction of the plant will begin this fall, with the price tag for construction estimated at $450 million. When in full production, the plant should be able to build 240,000 units annually and employ 3,500 UAW workers.

FLEET RESALE DEALERS ELECT BOARD

The National Association of Fleet Resale Dealers recently elected their board of directors. Heading the new organization are: George Dodd, of Dodd Motor Company, president; Bruce Bendell, Dart Auto Wholesalers, vice president; and Paul Sneddon, Vehicle Appraisal Consultants, secretary/treasurer. Regional directors include: Ken Starling, Kemp's Motors; Jack Corzine, Corzine Truck and Auto; Sam Provenzano, Provo Auto Sales; and Marvin Frank, Marvin Frank Motor Company.

Among the group's goals are education seminars, bulletins, marketing information, directories, and other public relations programs for the disposal industry.

BIG MINIVAN PENETRATION, POWER PREDICTS

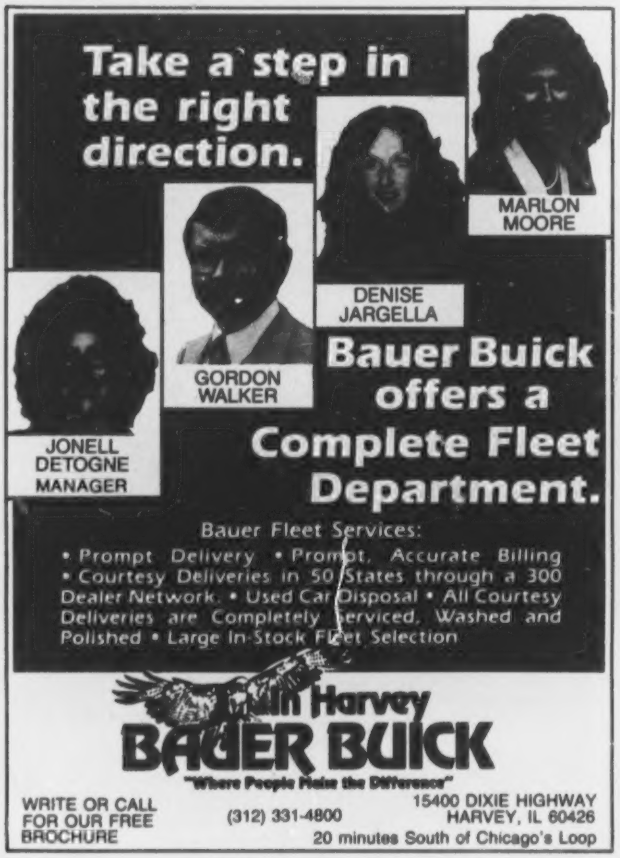
"Using 1987 as a mainstream year — when all the players are expected to be in the market — passenger versions (of the minivan) will be 63 percent of the market." That's according to George Peterson, director of automotive programs for J.D. Power and Associates research firm. Peterson says, "Commercial application will take 37 percent, with 20 percent of that figure devoted to cargo use."

FORD MOTOR CREDIT ADDS INCENTIVES

Low financing and special value packages are the incentives Ford Motor is offering this winter. Through the end of the month, Ford Motor Credit, which operates the Red Carpet lease program, is offering 11 percent financing on Escort, Lynx, Ranger, Continental, and Mark VII. Additionally, there are specially priced value packages on Mustang LX, T-Bird Turbo, and F-150 pickups; these offerings run through the first quarter.

MANUALS COST $206 LESS PER YEAR, RUNZHEIMER SAYS

Operating costs run $206 less per year with a manual transmission as compared with automatic, according to a recent report by *Runz-*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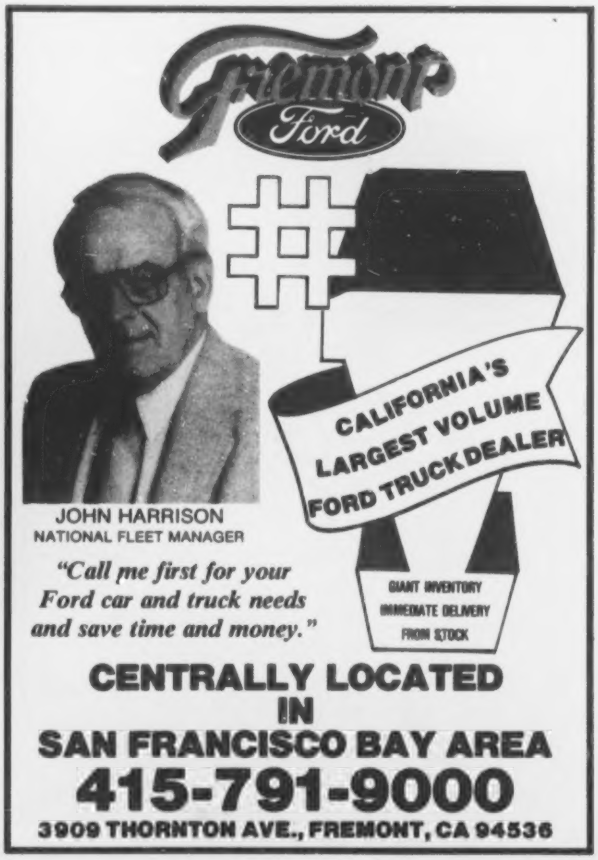
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Industry News

heimer Reports on Transportation. The firm, based in Rochester, WI, evaluated four models — Chevy Cavalier, Ford Tempo, Plymouth Reliant, and Renault Encore S. The study separated operating and standing costs, based on a three-year/60,000-mile trade-in cycle. Operating costs for manual averaged $113 less per year, mostly due to gas savings from increased mileage. Ownership costs for manual averaged $93 less, mostly due to difference in purchase price.

The model showing the greatest cost difference was the AMC product, where the manual transmission can save $355 in annual operating and ownership costs over the automatic. Chevy Cavalier logged the closest cost spread of $128; Ford Tempo showed $157; and Plymouth Reliant, $180.

PROJECTED AVERAGE ANNUAL COSTS
Manual vs. Automatic Transmission

		Average Anual Costs			
Make/Model	**Transmission**	**Operating**	**Ownership**	**Total**	**Cost Comparison**
Ford/Tempo	Automatic	$1,520	$2,659	$4,179	
	Manual	1,440	2,582	4,022	$157
Plymouth/	Automatic	1,240	2,677	3,917	
Reliant	Manual	1,150	2,587	3,737	180
AMC/Renault	Automatic	1,380	2,460	3,840	
Encore S	Manual	1,150	2,335	3,485	355
Chevrolet/	Automatic	1,150	2,390	3,540	
Cavalier	Manual	1,100	2,312	3,412	128

Basis: Except for the transmission distinction, all cars are similarly equipped, including PS, PB, AC, tinted glass, AM radio. Ownership expenses include licensing, depreciation based on a vehicle retention cycle of 3 years/60,000 miles, financing, taxes and insurance. Operating expenses include oil, maintenance, tires, and fuel.

Note: Costs vary among geographic locations so these average figures should be used only as a guide.

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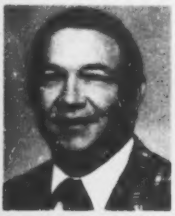

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Vice President and Director Fleet Sales

Bob Rogers
Fleet Manager

Gary Waller, *Fleet Representative;* **Mary Hall**, *Courtesy Delivery Clerk;* **Mary Lou Schreffler**, *Drop Ship Clerk.*

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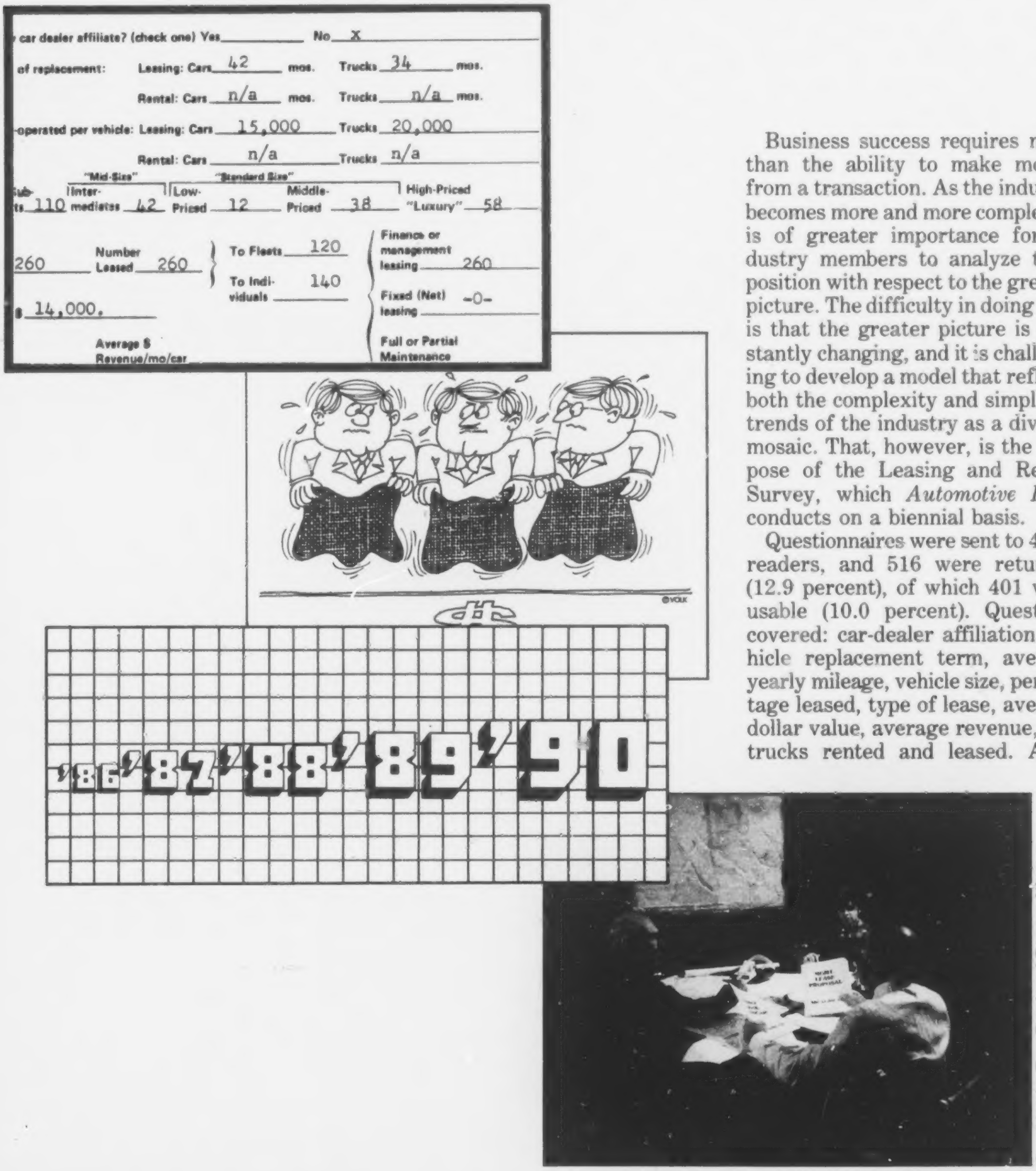
Leasing: Twelfth Biennial Survey Unveils Changing Industry Parameters



car dealer affiliate? (check one) Yes____ No x

of replacement: Leasing: Cars 42 mos. Trucks 34 mos.

Rental: Cars n/a mos. Trucks n/a mos.

-operated per vehicle: Leasing: Cars 15,000 Trucks 20,000

Rental: Cars n/a Trucks n/a

"Mid-Size" / "Standard Size"

Sub- ts 110 Inter-mediates 42 Low-Priced 12 Middle-Priced 38 High-Priced "Luxury" 58

260 Number Leased 260 To Fleets 120 To Individuals 140 Finance or management leasing 260

Fixed (Net) leasing -0-

$ 14,000.

Average $ Revenue/mo/car

Full or Partial Maintenance

Graphics by Tom Bezzi and Doreen Aiken

Business success requires more than the ability to make money from a transaction. As the industry becomes more and more complex, it is of greater importance for industry members to analyze their position with respect to the greater picture. The difficulty in doing that is that the greater picture is constantly changing, and it is challenging to develop a model that reflects both the complexity and simplified trends of the industry as a diverse mosaic. That, however, is the purpose of the Leasing and Rental Survey, which *Automotive Fleet* conducts on a biennial basis.

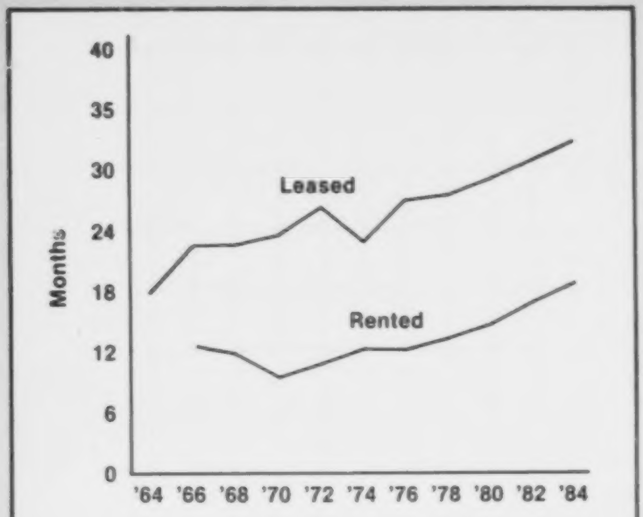
Questionnaires were sent to 4,001 readers, and 516 were returned (12.9 percent), of which 401 were usable (10.0 percent). Questions covered: car-dealer affiliation, vehicle replacement term, average yearly mileage, vehicle size, percentage leased, type of lease, average dollar value, average revenue, and trucks rented and leased. Addi-

Comparison of 1984 Survey Results With Previous Polls

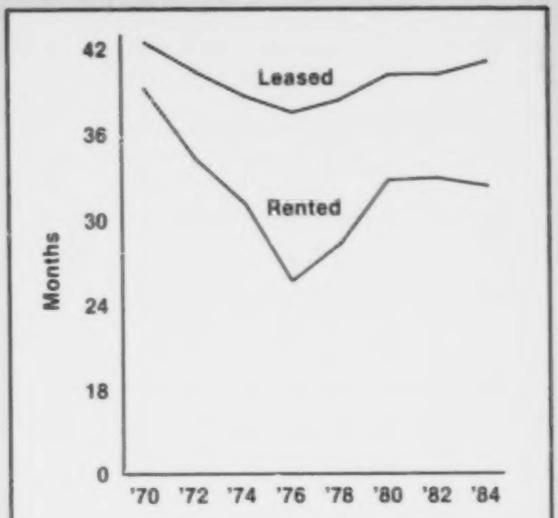
	1984	1982	1980	1978	1976	1974	1972	1970	1968	1966	1964
Survey Return Percentage	12.9%	7.8%	14.9%	15%	15%	13%	11%	10%	10.5%	14.3%	11.1%
Is Company A New Car Dealer Affiliate?											
Yes	26.1%	29.1%	34.9%	41.7%	40.7%	38%	39%	39%	38%	45%	40%
No	73.9%	68.9%	65.1%	58.3%	59.3%	62%	61%	61%	62%	55%	60%
Average Age of Vehicles at Replacement (Months)											
Leasing — Cars	32.1	30.7	28.5	26.9	25.9	24.3	25.2	23.7	23.3	22.9	18.3
Rental — Cars	18.9	16.8	14.5	13.1	13.0	12.6	11.5	10.7	12.1	12.8	n.a.
Leasing — Trucks	40.2	39.3	39.3	37.6	37.5	38.2	41.5	42.5	41.1	n.a.	n.a.
Rental — Trucks	31.2	32.2	32.1	28.5	26.3	31.4	35.1	40.5	38.3	n.a.	n.a.
Average Yearly Mileage Operated per Vehicle											
Leasing — Cars	20,579	19,250	20,115	19,870	21,563	20,904	22,244	22,170	21,698	22,761	19,656
Rental — Cars	18,579	18,423	16,294	15,382	13,907	14,361	14,424	13,513	16,207	15,924	n.a.
Leasing — Trucks	29,535	30,762	32,159	31,335	32,489	30,484	37,159	36,853	27,717	n.a.	n.a.
Rental — Trucks	24,195	25,759	23,391	24,889	22,222	21,421	28,148	28,000	24,082	n.a.	n.a.
Type of Car Used											
Subcompact	7%	14%									
Compacts	10%	23%	12%	13%	13%	16%	8%	5%	3%	8%	10%
Intermediate	51%	32%	42%	36%	44%	38%	16%	11%	9%	9%	13%
Standard	23%	20%	32%	29%	21%	33%	39%	36%	31%	21%	20%
Luxury	9%	11%	5%	10%	8%	8%	9%	10%	28%	11%	5%
Percentage of Cars Leased	80%	92%	85%	92%	91%	87%	96%	90%	93%	91%	92%
To Fleets	82%	74%	83%	80%	82%	79%	78%	74%	82%	83%	62%
To Individuals	18%	26%	17%	20%	18%	21%	22%	26%	18%	17%	38%
Percentage of Cars Rented	20%	8%	15%	8%	9%	8%	7%	7%	7%	4%	7%
Finance or Management Leasing	58%	69%	73%	82%	75%	72%	76%	62%	56%	62%	76%
Fixed (Net) Leasing	27%	15%	17%	13%	15%	15%	13%	12%	8%	8%	11%
Full or Partial Maintenance	15%	16%	10%	5%	10%	13%	11%	26%	36%	30%	13%
Average Dollar Value	$10,467	$9500	$7461	$6343	$5392	$5203	$3987	$3510	$3221	$2931	$2441
Average Revenue Per Mo. Per Car	$646	$527	$417	$357	$306	$357	$268	$241	$224	$190	n.a.
Total Trucks Leased	87%	85%	96%	96%	97%	88%	85%	76%	n.a.	n.a.	n.a.
Under 10,000	68%	56%	57%	64%	77%	48%	n.a.	n.a.	n.a.	n.a.	n.a.
(Under 19,500 GVW)	18%	21%	17%	22%	12%	22%	68%	54%	n.a.	n.a.	n.a.
(Over 19.500 GVW)	14%	23%	26%	14%	11%	30%	32%	46%	n.a.	n.a.	n.a.
Total Trucks Rented	13%	15%	4%	4%	3%	12%	15%	24%	n.a.	n.a.	n.a.
Under 10,000	23%	21%	26%	59%	44%	23%	n.a.	n.a.	n.a.	n.a.	n.a.
(Under 19,500 GVW)	15%	19%	13%	10%	22%	29%	41%	49%	n.a.	n.a.	n.a.
(Over 19,500 GVW)	62%	60%	61%	31%	34%	48%	59%	51%	n.a.	n.a.	n.a.

Note: The results of the 1984 Survey of the Leasing and Rental Industry are copyrighted material and, as such, may not be reproduced in any form without consent of the publisher. Reprints are available through our editorial offices: *Automotive Fleet,* 2500 Artesia Blvd., Redondo Beach, CA 90278, Phone (213) 376-8788.

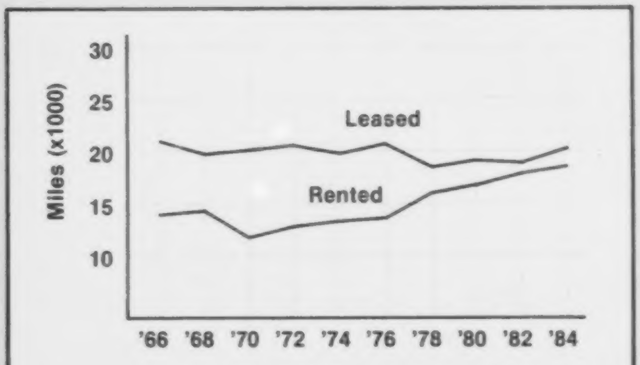
A Summary of Survey Results



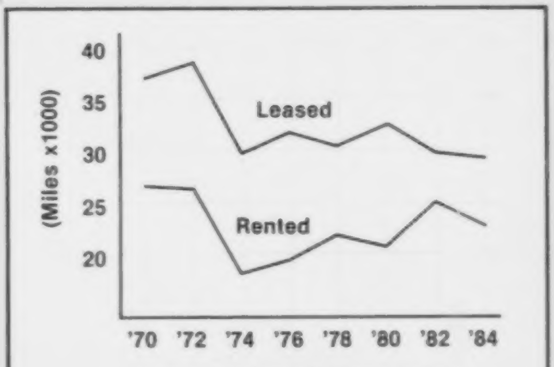
Age. (Mos.) At Turnover: Automobiles



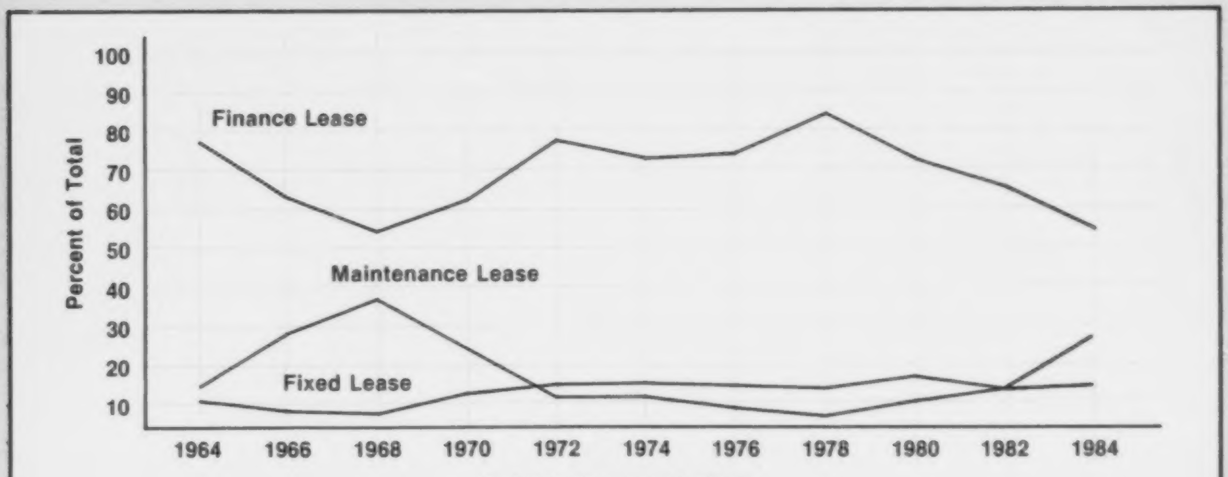
Age. (Mos.) At Turnover: Trucks



Avg. Annual Mileage: Automobiles



Avg. Annual Mileage: Trucks



Industry Leases: By Type

"The term for leased cars has doubled in the last 20 years."

tionally, the survey asked respondents to specify the major problem they see confronting the leasing and rental industry today.

The compiled results show a number of noteworthy trends. We find that during the last decade there has been a 10 percent rise in the number of companies that are not a car-dealer affiliate. Currently, 73.9 percent of respondents are not affiliated with car dealers, whereas the figure was at 62 percent a decade earlier.

Replacement terms for cars have grown considerably in the last 10 years. Whereas the '74 figures were 24.3 months for leased cars and 12.6 months for rental cars, '84 figures were 32.1 months for leased cars and 18.9 months for rental cars. These figures for leased cars represent a considerable increase over only two years ago, when the figures were 30.7 months for leased cars and 16.8 months for rental cars. And it is interesting to note that the term for leased cars has almost doubled in 20 years, since the survey was first conducted in '64, when the average age of the leased car at replacement was 18.3 months.

The average age of leased and rental trucks has now grown significantly. When average age of leasing and rental trucks was first included in the survey in '68, figures were 41.1 months for leased trucks and 38.3 months for rental. In the mid-seventies, terms dipped somewhat, showing 37.5 months for leased trucks and 26.3 months for rental trucks in '76. The '84 figures were 40.2 months for leased trucks and 31.2 months for rental.

Average yearly mileage has also changed little for leased cars and trucks. The '84 average mileage figures were 20,578, which is very close to the 20,904 figure a decade earlier. Leased trucks had an average annual mileage of 29,535, again close to the '74 figure of 30,484. Cars and trucks in the rental industry have shown slight increase in holding terms during the last 10 years. The average annual mileage for rental cars was 18,579 in '84, and the figure for rental trucks was 24,195. These figures represent an increase over the figures from '74, which were 14,361 and 21,421 respectively.

The size of cars in leasing and rental fleets shows interesting movement. Subcompacts and compacts comprised 17 percent of leasing and rental fleets, whereas 51 percent of the fleets were intermediates. Standard autos accounted for 23 percent of fleets, with luxury cars making up the remaining 9 percent.

Cars leased to fleets showed a rise relative to cars leased to individuals during the last two-year period. The fleet/individual percentages are now divided up 82 percent and 18 percent respectively. And the overall market was divided 80/20 between number of cars leased and number rented.

As to different types of leases, finance or management leasing garnered 58 percent of the market; fixed (net) leasing, 27 percent; full or partial maintenance, 15 percent.

Most startling was the jump in average dollar value, which averaged $10,467 among survey respondents. Juxtaposed with that is the average revenue per month per car, which averaged $646 among survey respondents.

Respondents showed that 87 percent of their trucks were leased and 13 percent rented. In the leased category, 68 percent were in the Class I and II category, under 10,000 GVW; this segment showed a noteworthy 12 percent increase over comparable figures two years earlier. Respondents report 18 percent of their leased trucks were in the segment under 19,500 GVW and 14 percent were in the segment over 19,5000 GVW. As to rented trucks, 23 percent were under 10,000 GVW; 15 percent were in the next larger class, under 19,500 GVW; and 62 percent were over 19,500 GVW. AF

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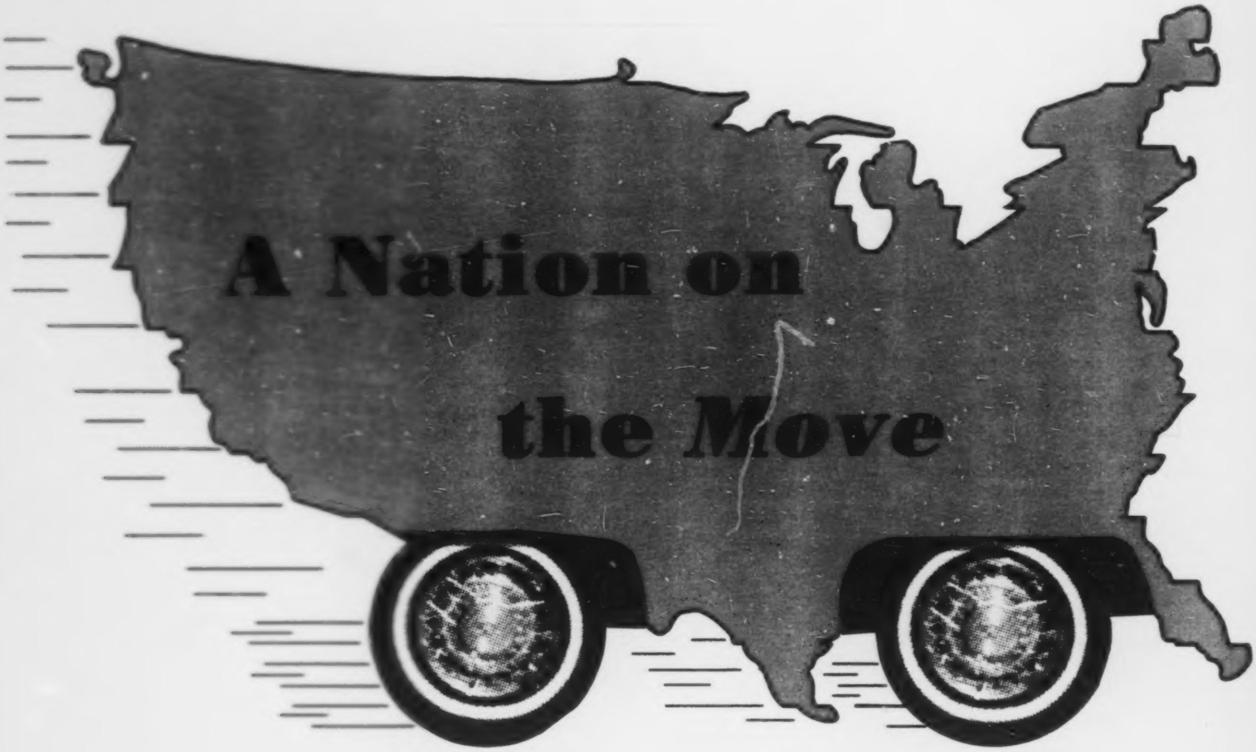
New Hertz Study Profiles Business Travel



Americans average 33.4 miles of travel a day, according to a new Hertz Corp. poll. The average covers commuting, business trips, incidental trips, vacations, and weekend holidays, and the poll focused on different forms of transportation, including buses, taxis, planes, trains, and ships, in addition to cars and trucks. But the overall mobility that the figures reflect is startling.

Some 109.6 million Americans surveyed commute an average of 22.43 miles a day round-trip to work, 5.08 days a week for 46.7 weeks. That averages out to 5,320 miles a year. Commuting costs averaged $1,271 per year, accounting for approximately 15 percent of the cost of all transportation.

Cars and trucks, including ride-sharing and vanpools, were the primary mode of transport for 92 percent of the commuters. They carried 85 percent of others some of their way, and they accounted for an estimated 87 percent of commuter mileage run. The Hertz poll respondents also listed trains, buses, taxis, bicycles, walking, and roller-skating as means of getting to and from work.

Once on the job, work requires close to half of employees (48.3 percent) to travel another 6,845 miles a year. The average number of trips is 43.33, with an average distance of 148 miles. When totalled, the figures come to 2.235 billion business trips, for a total of 332 billion annual business-trip miles. The cost, including travel, food, and lodging, is more than $195 billion, the Hertz report says. Broken down, the figures represent an average of $4,091 per business traveler, with $2,047 for transportation, $994 for lodging, $1,050 for food and entertainment. Lodging averaged $38.57 per night; meals, $16.66. Although business trips represent 11.7 percent of total mileage travelled, they represent 22 percent of dollars spent.

Cars and trucks were used nearly 80 percent of business-trip mileages, with airplanes carrying another 18 percent, and buses and other conveyances sharing the rest.

If we combine commuting to and from work with business trips, the amount of commercial travel adds up to 914 billion miles and $384 billion. These numbers translate to one-third of the nation's overall mileage and 43 percent of the cost of the nation's overall mobility. AF

Hertz Travel Poll
Business-Travel Segment

Does Work Require You to Take Business Trips?
Yes—48.3 Percent No—51.7 Percent

Primary Transport for Business

Type	Local	Region.	L.Dist.	Weighted Avg.Pct.	# Trips Total-M	# Psgr. Miles Total-B	# Veh. Miles-B
Own Car	0.660	0.590	0.220	0.5075	1.134	168.425	148.30
Company Car	0.200	0.200	0.090	0.1703	0.381	56.518	34.30
Rental Car	0.020	0.040	0.080	0.0426	0.095	14.138	6.73
Van/Truck, Etc.	0.070	0.080	0.040	0.0638	0.143	21.173	11.14
Train	—	0.010	—	0.0031	0.007	1.029	0.10
Bus	—	—	0.010	0.0034	0.008	1.128	0.14
Plane	—	0.070	0.540	0.1823	0.407	60.500	17.76
Taxi	0.020	—	—	0.0090	0.020	2.987	2.13
Other/DA	0.030	0.010	0.020	0.0180	0.040	5.974	?
Total	**1.000**	**1.000**	**1.000**	**1.0000**	**2.235**	**331.872**	**220.53**
ST Motor Vehicles	0.970	0.910	0.430	0.7932	1.773	263.241	202.70
ST Autos	0.900	0.830	0.390	0.7294	1.630	242.068	191.40

Of Those Whose Jobs Require Trips

	Percentage	# People Millions	Avg. # Nights Away	Total # Nights
Job Requires Overnight Trips	0.730	37.3580	25.770	962.715

Annual Business Travel Spending On —

	$ Per Year Per Person	Per Night	Total Spending	Per Mile or Per Day	Domestic Spending
Transportation	2047.000		104.7559	$0.316/mile	104.609
Lodgings Overnight	994.000	38.572	37.1338		37.082
Food & Entertainment	1050.000		53.7341	$40.745	53.659
Totals	**4091.000**		**195.6238**		**195.350**

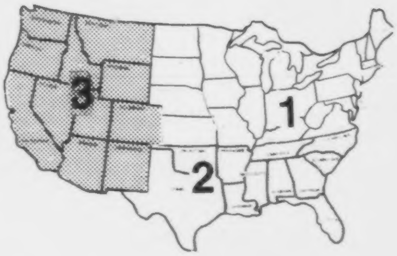
Foreign Business Trips

	Can./Mex.	# (Mls.)	Other Countries	# (Mls.)	Tot. (M)	Total Pctgs.
Percent Trips Taken	0.001	3.129	0.003	5.5870	8.716	0.004
Percent Taking Trip	0.076	3.884	0.057	2.9170	6.801	0.133

Annual Business Travel

	Passenger Miles # Miles Per Persons Taking Business Trips	Average Annual Vehicle Mileage Business Use	Business Trips (Average All Persons) # Psgr. Miles/Year
Private Car	3291		1114
Company Car	1104		374
Rental Car	276		94
Van, Truck, etc.	413		140
Taxi	58		7
Totals	**5143**	**1180**	**1728**

Used Cars



The following are average car prices for the period ending November 28, 1984. Prices are based on wholesale activity at major dealer auctions across the country. They are divided into three zones as indicated on the accompanying map. These averages are calculated electronically on IBM machines. They are based on clean cars only. Proper allowance should be made for upgrading sharp cars and proper deduction taken for fair cars. Automatic transmissions have been included in the averages of all models. This information is published in *Automotive Fleet* by special permission of Automotive Market Report.

AVERAGE AUCTION PRICE			
Model	**Zone 1**	**Zone 2**	**Zone3**
83 AMC CONCORD			
Sdn	4666	4712	4620
Sta Wgn	4927	4977	4877
82 AMC CONCORD			
Sdn 6-4 Dr	3725	3763	3687
Sta Wgn	3919	3959	3880
83 BUICK SKYLARK			
Sdn Custom	5399	5454	5345
82 BUICK SKYLARK			
Sdn	4442	4487	4398
83 BUICK REGAL			
Sdn	6971	7040	6901
Cpe	7165	7237	7094
82 BUICK REGAL			
Turbo Cpe	6239	6301	6176
Cpe	6044	6104	5984
83 BUICK LESABRE			
Sdn Custom	8030	8111	7949
82 BUICK LESABRE			
Sdn Custom	6649	6716	6583
83 CADILLAC			
Cpe DeVille	12043	12164	11923
Sdn DeVille	11971	12091	11851
82 CADILLAC			
Cpe DeVille	9923	10021	9823
Sdn DeVille	9860	9958	9762
83 CHEVY			
Chvt Htchbk 2-Dr	3625	3661	3589
Chvt Htchbk 4-Dr	3706	3743	3668
Camaro Cpe 8	7611	7687	7535
82 CHEVY			
Chvt Htchbk 2-Dr	2932	2962	2903
Chvt Htchbk 4-Dr	2998	3028	2968
Camaro Cpe 8	6497	6562	6432
83 CHEVY CELEBRITY			
Sdn	6352	6416	6288
82 CHEVY CELEBRITY			
Sdn	5249	5300	5196
83 CHEVY CAVALIER			
Sdn	5233	5285	5180
82 CHEVY CAVALIER			
Sdn	4301	4344	4259
83 CHEVY CITATION			
Cpe 6	4533	4579	4487
82 CHEVY CITATION			
Cpe 6	3451	3486	3416
83 CHEVY MALIBU			
Clas Sdn	6242	6303	6180
Clas Sta Wgn	6496	6561	6431
82 CHEVY MALIBU			
Clas Sdn	5132	5183	5080
Clas Sta Wag	5354	5407	5300
83 CHEVY MONTE CARLO			
Cpe	6946	7015	6876
82 CHEVY MONTE CARLO			
Cpe	5800	5858	5741
83 CHEVY IMPALA			
Sdn	6917	6986	6848
82 CHEVY IMPALA			
Sdn	5571	5627	5516
Wgn 9	5788	5846	5730
83 CHEVY CAPRICE			
Sdn	7550	7626	7474
Sta Wag	7812	7889	7733
83 CHRYSLER			
E-Class Sdn	6736	6803	6669
82 CHRYSLER			
New Yorker Sdn	8327	8411	8244
83 DODGE OMNI			
4 Dr Cust	4337	4380	4293
82 DODGE OMNI			
4 Dr Cust	3379	3414	3346
83 DODGE ARIES			
Cpe	5152	5203	5101
82 DODGE ARIES			
Sdn	4018	4059	3978
83 DODGE DIPLOMAT			
Sln Sdn	5730	5787	5673
82 DODGE DIPLOMAT			
Sln Sdn	4577	4623	4531
83 FORD FAIRMONT			
Futura 6-Cyl Sdn 4 Dr	4784	4831	4736
82 FORD FAIRMONT			
Futura Sdn 4-Dr	3771	3809	3733
83 FORD MUSTANG			
L-Cpe 4	5153	5204	5101
82 FORD MUSTANG			
L-Cpe 4	4188	4230	4145
82 FORD GRANADA			
Sdn 6-L	4444	4489	4399
83 FORD LTD			
Sdn	6153	6215	6091
82 FORD LTD			
Sdn	5882	5941	5822
82 FORD ESCORT			
Sdn 4 Dr	3318	3352	3286
83 FORD CROWN VIC			
Sdn	8550	8637	8464
82 FORD CROWN VIC			
Sdn	6686	6754	6619
83 FORD THUNDERBIRD			
Cpe	7328	7402	7255
82 FORD THUNDERBIRD			
Cpe	5830	5887	5771
83 LINCOLN CONTINENTAL			
Sdn	14190	14332	14047
Mark VI Cpe	14337	14481	14194
82 LINCOLN CONTINENTAL			
Sdn	11679	11796	11562
Mark VI Cpe	11825	11943	11707
83 MERCURY COUGAR			
Cpe	7459	7535	7386
82 MERCURY COUGAR			
GS Cpe	4487	4531	4442
Sdn	4487	4531	4442
82 MERCURY ZEPHYR			
Sdn 4 Dr	3825	3862	3786
83 MERCURY LYNX			
HtchBk 2-Dr	4143	4185	4102
83 MERCURY MARQUIS			
Sdn	6230	6291	6168
82 MERCURY MARQUIS			
Sdn	6176	6238	6113
Wgn-2S	6367	6430	6302
83 OLDS CIERA LS			
Cpe	6711	6778	6644
Sdn	6799	6866	6731
83 OLDS CUTLASS SUPREME			
Cpe	7262	7334	7189
Sdn	7061	7132	6991
82 OLDS CUTLASS SUPREME			
Sdn	5877	5936	5818
Cpe	6109	6170	6047
83 OLDS DELTA			
Sdn	7723	7800	7646
82 PLYMOUTH HORIZON			
4 Dr Htchbk	3114	3146	3082
83 PLYMOUTH RELIANT			
Cpe	5165	5217	5113
82 PLYMOUTH RELIANT			
Cpe	4006	4046	3966
82 PONTIAC FIREBIRD			
Cpe 8	6547	6611	6481
82 PONTIAC BONNEVILLE			
Sdn 6	5639	5694	5582
83 PONTIAC PHOENIX			
Cpe	4921	4971	4873
Htchbk Sdn	4921	4971	4873
82 PONTIAC PHOENIX			
Cpe 6	4068	4108	4027
83 VOLKSWAGEN RABBIT			
2 Dr Htchbk	3497	3532	3462
82 VOLKSWAGEN RABBIT			
2-Dr Htchbk	3497	3532	3462
83 DATSUN			
Sentra 2 Dr Std Sdn	4047	4089	4007
Stanza Hbk 4 Dr Dlx	5515	5571	5463
82 DATSUN			
210 Std 2 Dr	3095	3125	3065
Sentra 2 Dr	3394	3428	3360
Stanza Hbk 4 Dr Dlx	4437	4480	4392
83 TOYOTA			
Corolla Sedan 2 Dr	4870	4920	4822
Celica St	6792	6860	6724
Camry	7791	7869	7713
82 TOYOTA			
Corolla 2 Dr Sdn	4040	4081	3999
Celica St Cpe	5516	5571	5461
Corona Sdn Lux	5549	5605	5494

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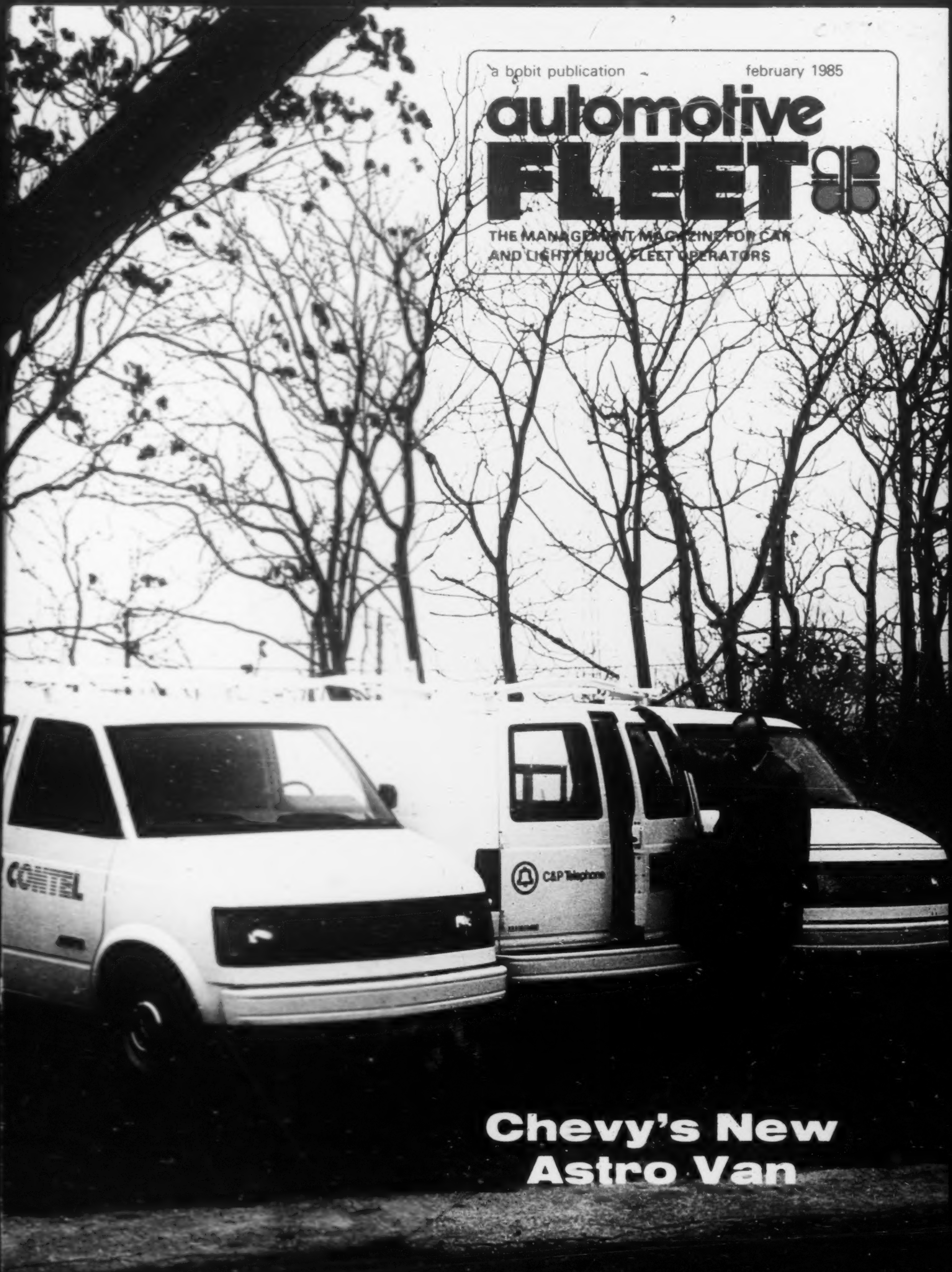
february 1985

automotive FLEET

THE MANAGEMENT MAGAZINE FOR CAR AND LIGHT TRUCK FLEET OPERATORS


CONTEL
C&P Telephone

Chevy's New Astro Van

FEBRUARY 1985 VOL. 24, NO. 4

automotive FLEET®

THE MANAGEMENT MAGAZINE FOR CAR
AND LIGHT TRUCK FLEET OPERATORS

Influencing over 3.6 million cars and 1.6 million light trucks and vans in leasing, rental, business, government, taxi, police, utility, and driving schools.

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Everything You *Should* Know about Tire Maintenance p. 26

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Checking It Out: A Driver's Guide to Fleet Car Maintenance p. 40

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On our cover: It may be winter, but that hasn't put a damper on George Frink's enthusiasm about the Chevy Astro. As fleet sales director, Frink is particularly proud of the minivan conversions for utility fleets.

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Calendar

FEBRUARY

4 — Wholesalers Management Conference, Automotive Service Industry Association, MGM Grand Hotel, Las Vegas, NV; information: (312) 836-1300.

6-8 — International Automotive Aftermarket Show, Pacific Automotive Show, Las Vegas Hilton, Las Vegas, NV; information: (818) 995-0284.

12-13 — NAFA's Advanced Fleet Management Seminar, Norwalk, CA.

13-17 — Truck Renting and Leasing Association Convention, Registry Resort, Scottsdale, AZ.

MARCH

4-7 — NAFA's Automotive Systems and Maintenance Technologies Seminar, Houston, TX.

7-8 — Leasing: Techniques & Analysis, seminars offered by American Management Association, Mikayo Hotel, San Francisco, CA, and Adam's Mark Hotel, Houston, TX; information: (518) 891-0065

10-13 — American Automotive Leasing Association Convention, Americana Canyon Hotel, Palm Springs, CA.

13-15 — Leasing: The Creative Financing Alternative, seminar offered by Amembal & Isom, Detroit; information: (801) 484-8555

21-22 — Leasing: Techniques & Analysis, seminars offered by American Management Association, Holiday Inn Westport, St. Louis, MO; information: (518) 891-0065

25-27 — Leasing: The Creative Financing Alternative, seminar offered by Amembal & Isom, San Francisco; information: (801) 484-8555

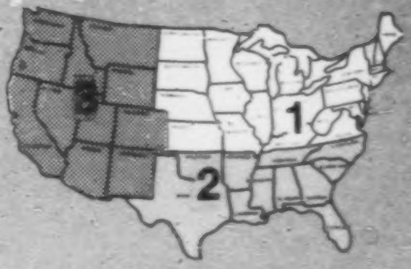
Gas Prices

UNLEADED

	Cost Per Gallon Unleaded	
City	**Full-Serve**	**Self-Serve**
Baltimore, MD	135.8	112.3
Bangor, ME	123.4	119.4
Baton Rouge, LA	147.9	114.9
Boston, MA	120.0	113.4
Concord, NH	115.9	115.9
Denver, CO	146.7	115.0
Des Moines, IA	139.9	117.4
Kansas City, MO	126.2	105.6
Minneapolis, MN	150.8	119.0
New Brunswick, NJ	110.9	110.9
Orlando, FL	138.9	117.6
Rochester, NY	119.9	114.4
Sacramento, CA	152.9	125.9
St. Louis, OH	130.3	105.7
Toledo, OH	124.2	108.9

Survey conducted during the first five working days of January, 1985. Supplied by Runzheimer and Company, Inc. Runzheimer Park, Rochester, WI.

Used Cars



The following are average car prices for the period ending January 2, 1985. Prices are based on wholesale activity at major dealer auctions across the country. They are divided into three zones as indicated on the accompanying map. These averages are calculated electronically on IBM machines. They are based on clean cars only. Proper allowance should be made for upgrading sharp cars and proper deduction taken for fair cars. Automatic transmissions have been included in the averages of all models. This information is published in *Automotive Fleet* by special permission of Automotive Market Report.

AVERAGE AUCTION PRICE			
Model	Zone 1	Zone 2	Zone3
83 AMC CONCORD			
Sdn	4527	4571	4483
Sta Wgn	4780	4826	4732
82 AMC CONCORD			
Sdn 6-4 Dr	3577	3614	3541
Sta Wgn	3764	3802	3726
83 BUICK SKYLARK			
Sdn Custom	5185	5236	5133
82 BUICK SKYLARK			
Sdn	4287	4332	4245
83 BUICK REGAL			
Sdn	6661	6727	6593
Cpe	6846	6915	6779
82 BUICK REGAL			
Turbo Cpe	5961	6021	5901
Cpe	5775	5832	5717
83 BUICK LESABRE			
Sdn Custom	7751	7830	7673
82 BUICK LESABRE			
Sdn Custom	6386	6450	6322
83 CADILLAC			
Cpe DeVille	11589	11706	11474
Sdn DeVille	11520	11636	11405
82 CADILLAC			
Cpe DeVille	9530	9623	9433
Sdn DeVille	9469	9563	9375
83 CHEVY			
Chvt Htchbk 2-Dr	3500	3534	3464
Chvt Htchbk 4-Dr	3577	3613	3541
Camaro Cpe 8	7347	7420	7273
82 CHEVY			
Chvt Htchbk 2-Dr	2830	2860	2802
Chvt Htchbk 4-Dr	2894	2923	2865
Camaro Cpe 8	6271	6336	6208
83 CHEVY CELEBRITY			
Sdn	6101	6162	6039
82 CHEVY CELEBRITY			
Sdn	5067	5116	5015
83 CHEVY CAVALIER			
Sdn	5103	5154	5051
82 CHEVY CAVALIER			
Sdn	4194	4236	4153
83 CHEVY CITATION			
Cpe 6	4353	4397	4309
82 CHEVY CITATION			
Cpe 6	3331	3365	3297
83 CHEVY MALIBU			
Clas Sdn	6025	6084	5965
Clas Sta Wgn	6271	6334	6208
82 CHEVY MALIBU			
Clas Sdn	4954	5003	4904
Clas Sta Wag	5169	5219	5116
83 CHEVY MONTE CARLO			
Cpe	6705	6772	6638
82 CHEVY MONTE CARLO			
Cpe	5570	5626	5513
83 CHEVY IMPALA			
Sdn	6643	6709	6577
82 CHEVY IMPALA			
Sdn	5351	5404	5298
Wgn 8	5559	5614	5503
83 CHEVY CAPRICE			
Sdn	7251	7324	7178
Sta Wag	7503	7576	7426
83 CHRYSLER			
E-Class Sdn	6469	6533	6405
82 CHRYSLER			
New Yorker Sdn	8039	8119	7958
83 DODGE OMNI			
4 Dr Cust	4123	4163	4081
82 DODGE OMNI			
4 Dr Cust	3213	3246	3180
83 DODGE ARIES			
Cpe	4897	4946	4849
82 DODGE ARIES			
Sdn	3820	3858	3782
83 DODGE DIPLOMAT			
Sln Sdn	5531	5586	5477
82 DODGE DIPLOMAT			
Sln Sdn	4418	4463	4374
83 FORD FAIRMONT			
Futura 6-Cyl Sdn 4 Dr	4584	4630	4538
82 FORD FAIRMONT			
Futura Sdn 4-Dr	3840	3877	3804
83 FORD MUSTANG			
L-Cpe 4	4990	5040	4940
82 FORD MUSTANG			
L-Cpe 4	4042	4083	4001
82 FORD GRANADA			
Sdn 6-L	4289	4334	4246
83 FORD LTD			
Sdn	5879	5939	5820
82 FORD LTD			
Sdn	5620	5676	5562
82 FORD ESCORT			
Sdn 4 Dr	3086	3119	3055
83 FORD CROWN VIC			
Sdn	8211	8295	8129
82 FORD CROWN VIC			
Sdn	6508	6573	6442
83 FORD THUNDERBIRD			
Cpe	7037	7108	6966
82 FORD THUNDERBIRD			
Cpe	5599	5654	5543
83 LINCOLN CONTINENTAL			
Sdn	13665	13792	13518
Mark VI Cpe	13797	13935	13659
82 LINCOLN CONTINENTAL			
Sdn	11239	11351	11126
Mark VI Cpe	11379	11489	11266
83 MERCURY COUGAR			
Cpe	7164	7236	7093
82 MERCURY COUGAR			
GS Cpe	4332	4374	4287
Sdn	4332	4374	4287
82 MERCURY ZEPHYR			
Sdn 4 Dr	4634	4680	4588
83 MERCURY LYNX			
HtchBk 2-Dr	3990	4030	3950
83 MERCURY MARQUIS			
Sdn	5952	6011	5894
82 MERCURY MARQUIS			
Sdn	5831	5891	5871
Wgn-25	6115	6175	6052
83 OLDS CIERA LS			
Cpe	6445	6509	6381
Sdn	6530	6594	6464
83 OLDS CUTLASS SUPREME			
Cpe	6938	7006	6869
Sdn	6746	6815	6680
82 OLDS CUTLASS SUPREME			
Sdn	5615	5672	5559
Cpe	5837	5896	5778
83 OLDS DELTA			
Sdn	7455	7529	7381
82 PLYMOUTH HORIZON			
4 Dr Htchbk	2960	2990	2930
83 PLYMOUTH RELIANT			
Cpe	4910	4960	4860
82 PLYMOUTH RELIANT			
Cpe	3808	3846	3770
82 PONTIAC FIREBIRD			
Cpe 8	6320	6382	6256
82 PONTIAC BONNEVILLE			
Sdn 6	5443	5497	5388
83 PONTIAC PHOENIX			
Cpe	4702	4750	4657
Htchbk Sdn	4702	4750	4657
82 PONTIAC PHOENIX			
Cpe 6	3887	3925	3847
83 VOLKSWAGEN RABBIT			
2 Dr Htchbk	4518	4563	4473
82 VOLKSWAGEN RABBIT			
2-Dr Htchbk	3497	3532	3462
83 DATSUN			
Sentra 2 Dr Std Sdn	4047	4087	4007
Stanza Hbk 4 Dr Dlx	5515	5570	5460
82 DATSUN			
210 Std 2 Dr	3095	3126	3064
Sentra 2 Dr	3394	3428	3360
Stanza Hbk 4 Dr Dlx	4437	4481	4393
83 TOYOTA			
Corolla Sedan 2 Dr	4870	4919	4821
Celica St	6792	6860	6724
Camry	7791	7869	7713
82 TOYOTA			
Corolla 2 Dr Sdn	4040	4080	4000
Celica St Cpe	5516	5571	5461
Corona Sdn Lux	5549	5604	5494

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march 1985

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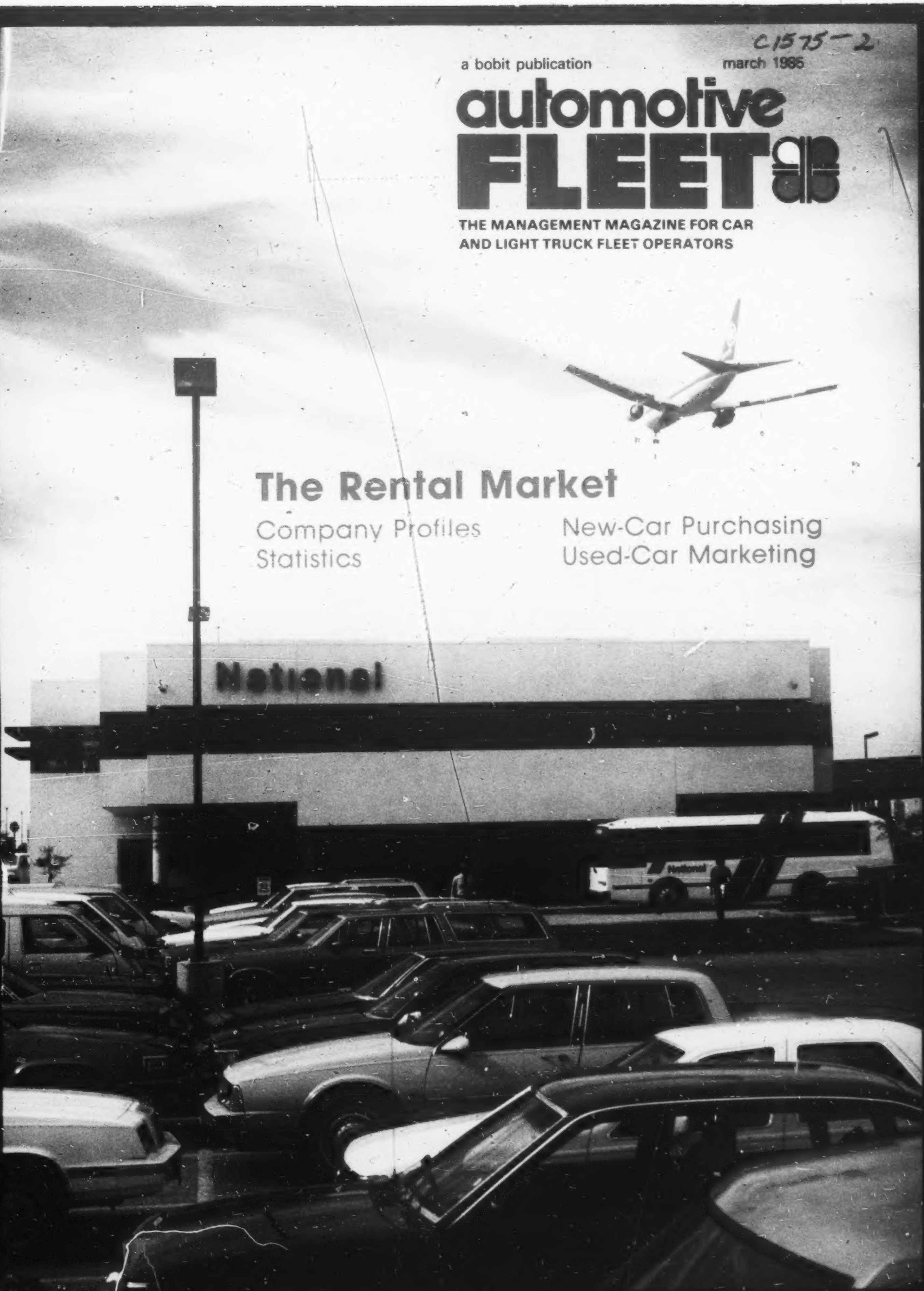

The Rental Market

Company Profiles
Statistics
New-Car Purchasing
Used-Car Marketing

MARCH 1985 VOL. 24, NO. 5

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leasing, rental, business, government, taxi, police, utility, and driving schools.

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On our cover: National's office near Los Angeles airport exemplifies recent industry moves toward expensive airport-adjacent locations, shuttle fleets, and computerization.

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Calendar

MARCH

10-13 — American Automotive Leasing Association Convention, Americana Canyon Hotel, Palm Springs, CA.

13-15 — Leasing: The Creative Financing Alternative, seminar offered by Amembal & Isom, Detroit; for information on seminars in other cities: (801) 484-8555.

18 — Residual Value Insurance Conference, *Leasing Digest*, Plaza Hotel, New York City, information: (212) 227-2860.

19-22 — Foundations of Leasing, seminars offered by National Vehicle Leasing Association, East Elmhurst, NY; information: (213) 477-4287.

20-24 — American Car Rental Association Convention, Colonial Williamsburg Foundation, Williamsburg, VA; information: (202) 347-2370.

APRIL

12-14 — National Vehicle Leasing Association certification programs, San Francisco, CA; information: (213) 477-4287.

15-18 — National Association of Fleet Administrators Automotive Systems and Maintenance Technologies course, San Francisco Hilton and Tower, San Francisco, CA; for dates and courses in other cities: (212) 689-3200.

25-28 — Association for Commuter Transportation Conference, Toronto, Canada.

MAY

1-5 — National Vehicle Leasing Association Convention, Broadmoor Hotel, Colorado Springs, CO.

29-June 2 — Automotive Fleet & Leasing Association Convention, Westin Copley Plaza, Boston.

Gas Prices

	UNLEADED	
	Cost Per Gallon Unleaded	
City	Full-Serve	Self-Serve
Anchorage, AK	142.6	108.9
Flagstaff, AZ	158.5	121.0
Marysville, CA	157.4	119.9
Fort Morgan, CO	136.5	102.4
Willimantic, CT	144.4	134.4
Key West, FL	147.9	125.9
Honolulu, HI	162.1	147.6
Worcester, MA	114.9	103.4
Springfield, MO	112.9	98.4
Las Vegas, NV	142.4	118.0
Cleveland, OH	128.2	102.6
Tulsa, OK	118.6	98.6
Bellaire, TX	134.4	98.4
Yakima, WA	159.9	124.9
Milwaukee, WI	139.4	109.7

Survey conducted during the first five working days of February, 1985. Supplied by Runzheimer and Company, Inc. Runzheimer Park, Rochester, WI.

A Special Report by Runzheimer

Controlling Car Rental Costs through Negotiation

Fleets regularly rent cars for any number of reasons: a vehicle has broken down on the road; a vehicle is undergoing routine maintenance or repair due to an accident or malfunction; an ordered new vehicle does not arrive according to schedule; an employee travels by air. Put as fleet managers, you should not overlook the opportunity to control car rental costs by negotiating rates with car rental companies. This is particularly true for fleets where employees make their own car rental arrangements. As fleet managers, you will find that few car rental companies are not amenable to discussions that lead to reduced contract rates.

A recent *Runzheimer Reports* minisurvey of 30 fleet managers across the United States showed that 37 percent "arrange for car rentals as a part of their job responsibility." Of the 63 percent who do not handle car rentals, roughly one-fourth allow drivers and travelers to make their own arrangements. It may be time to reassess your company's policy — or so says this Runzheimer report:

Although your car rental volume contributes significantly to your leverage in the negotiation process, many other factors can enter into the bargaining. At the outset, you should be aware of the following unique characteristics of the car rental business because they can have a significant bearing on the rate policies of the rental companies:

- Each of the major rental companies covers most American cities, so a single rental firm can often bid for all your business.
- All car rental companies are actually involved in two enterprises: the first, of course, is renting cars, and the second is selling used cars. Dependent on the health of the used car market, success with the second enterprise influences rental rates as well as the rental firm's profitability.
- Demand for rental cars is more heavily concentrated in the midweek than any other travel service. This occurs because the bulk of the demand is related to business travel, and many rented cars are driven for one-day trips.
- All car rental companies have, to a lesser or greater extent, a franchise system that can restrict latitude in rate-setting for some cities.

Prenegotiation Preparations

Before contacting the car rental company's sales department, you should assemble information concerning your past and current rental activity and needs. Such information should include:

1. Total car rental expenses (by year and season).
2. The cities where most of your rental activity occurs.
3. The approximate number of travelers who rent cars.
4. The minimum, maximum, and average expense of your transactions.

Additional information on the following items can be helpful:

1. The approximate percentage of your car rental business that goes to each supplier.
2. Your rental activity by day of the week and by frequency of weekend use.
3. The classes of cars (compact, intermediate, full-size, etc.) which your drivers typically rent.

In an exclusive interview, Joseph Vittoria — president and chief operating officer of Avis — explained how his company arrives at corporate rates. "We produce rates for a corporate account through a computer program," Vittoria said. "Our sales people don't just go to an account, ask its volume and quote a rate of $35 a day.

"They want information, such as where the company rents, what types of cars it rents, whether it rents in the same city where it's located, what sort of mileage the drivers accumulate. The information is fed into the computer, which then tells us, based on our parameters, to give a rate of $35 a day. We can offer the account $34 a day nationwide and also give it $32 a day in X city, V city, and Y city —

". . .rental firms are eager to enter into formal relationships. . ."

all told to us by the computer."

Negotiation is all important. Contact the corporate sales department, *not* a rental location or reservations office of the car rental firm. Sales representatives will set up an appointment after they are satisfied that your volume justifies a negotiating session.

In some cases, an agreement can be concluded by phone, but a substantial volume generally requires a meeting. In the table accompanying this article, the "Negotiate Corporate Rates" column specifies the approach taken by car rental firms to establish rental rates with corporate accounts. Of those which provided us information, we should note, in particular, Holiday Payless and Alamo, which represent a new rate approach — the flat corporate rate — designed to attract small- and medium-size corporations. Unless otherwise noted, all other listed car rental companies negotiate with individual accounts, most often on the basis of volume as represented by the Ajax "Preferred Commercial Agreement", which specifies that "corporate rates are offered based upon projected annual car rental expenditures."

Car rental companies, explains a spokesman for Budget Rent A Car, often categorize propositions as:

•*Primary.* Your organization will commit to directing 80 percent of its rental business to one supplier.

•*Cosupplier.* You will split your business between two competitors.

•*Secondary.* You promise to give the car rental company up to 20 percent of your total volume.

Under most circumstances, the agreed-upon rate, based on a specific dollar volume, proves most favorable for a primary agreement and least favorable for a secondary. However, whether a car rental company follows this rule of thumb depends partly on the "foot-in-the-door factor" — it may offer unusually low rates to increase its share of a given market. Thus, most car rental companies are willing to negotiate with companies on an individual basis.

Car rental companies are eager to enter into formal relationships with corporations. While your company's car rental volume may be insufficient to warrant a special rate agreement, making contact may result in preferential discounts designed to reward your loyalty.

Any special characteristics of your volume that you can bring to the bargaining table (e.g., heavy weekend renting or off-season renting in vacation areas) may affect the final rate agreed to by the supplier.

Each car rental company has different policies on corporate rates; some are less flexible than others.

In addition, fleet managers who turn to a travel agency to handle car rentals, as did one of our survey respondents, should be aware that at least one car rental company (Dollar) grants selected travel agencies the right to offer preferential rates to the agents' corporate accounts, regardless of a corporation's volume.

In sum, compare a number of rental companies' rate proposals, whether dealing directly with car rental firms or going through travel agents. And if you commit to giving a rental firm preferred status based on these factors, you will usually receive lower bills.

How One Company Divides Its Rental Pie

When John Pughe of the giant Allied Corp takes a cross-country business trip, he often shares his airport rental car with businesspeople from two or three other large national firms. At rental's end, the executives split the car's cost according to the rate their firms have previously negotiated with the rent-a-car company. And in doing so, Pughe is able to see exactly how Allied's cost compares.

"If I find that a smaller firm is getting a lower rate, I'll go back to the rental company and complain, 'XYZ Corp. is only paying this much. How come?' " Pughe says. While the rent-a-car company won't always renegotiate, at least it knows that Allied is watching — and looking out for the bottom line.

Headquartered in Morristown, N.J. Allied employs more than 100,000 workers worldwide, recording annual sales in the neighborhood of $12 billion. With separate divisions specializing in petroleum, chemicals, electronics, aerospace, and automotive supplies, the conglomerate uses its size to negotiate "economies of scale" with each of three major car-rental firms: Hertz, Avis, and National.

"Basically, we negotiate a fixed daily-rental charge for intermediate-sized cars," says Pughe, Allied's corporate director for material resources. "Once the employee is at the airport, he or she is free to rent from either Hertz, Avis, or National. We do recommend that they select the intermediate-car offered by whichever company they choose."

Allied's rental business is divided about equally among the three majors, Pughe says. Hertz, Avis, and National rates are "within $1 per day of one another," he discloses, with the average employee rental-fee totaling $50 to $60 (that's for about two days). Allied does "between $2 million and $3 million" annually with each of the Big Three, Pughe adds.

"What we do is review and renew our agreements on a yearly basis," the Allied executive says. "If at times we find we're not getting good service from one of the rental companies, we'll yell about it. We'll say, 'Hey, here are some experiences that weren't too good.'

"In general, though, we find that all three companies service their accounts very well."

BASIS FOR CAR RENTAL COMPANY AGREEMENTS WITH CORPORATE ACCOUNTS

Car Rental Co.	Number of Locations Served	Number of States Served	Negotiate Corporate Rates
Ajax	106	30	Negotiate with companies individually
Alamo	42	12	Fixed Rate Corporate Program Range from $19/day for Economy Car to $29/day for a Luxury Car Does Not Negotiate Individually
American International	240	39	Negotiate with Companies Individually Based on Volume Per Year
Avis	2500	50	Negotiate with Companies Individually
Budget	1100	50	Negotiate with Companies Individually Based on volume
General	23	7	Does Not Negotiate Individually
Hertz	1800	na	Negotiate with Companies individually Based on volume
Holiday Payless	187	40	Fixed Rate Corporate Program $25 Economy, $27 Compact, $29 Intermediate, $31 Full Size Negotiate with Companies Individually
National	1100	na	Negotiate with Companies Individually Based on Volume
Tropical	40	8	Fixed Rate Corporate Program Negotiate with Companies Individually

Note: na = not available

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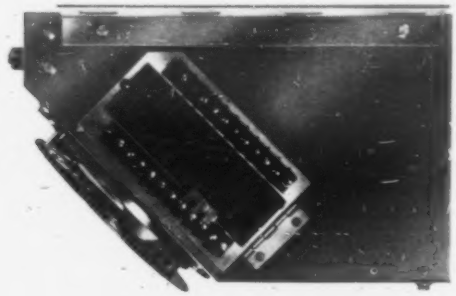

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No Single Company Has a 15 Percent Share in Europe

The Competitive International Daily-Rental Market

THE CANADIAN RENTAL MARKET

Readers can compare how the Canadian market more closely resembles U.S. leader-strength vs. diverse European figures.

Company	On-Airport Share/Market	Revenue	No. Cars
Budget	40%		12,500
Tilden (National)	24%		10,000
Avis	17%		7,000
Hertz	14%		5,500
All Others	5%		3,000
Total	**100%**	**$130 million**	**38,000**
Off-Airport		$75 million	27,000
Total All Rentals		**$205 million**	**65,000**

Source: Canadian Automotive Fleet *magazine estimate.*

Any attempt to properly identify the Canadian rental market is limited by "the eye of the beholder," since the Ministry of Transport limits its reporting to the eight major airports across the provinces. Some industry analysts estimate that all airports record a 60 percent share of the total rental business, with off-airport and local accounting for the other 40 percent. Total revenues reportedly exceed $200 million.

Unlike the domestic rental market, the leading companies in Europe do not dominate with the large market shares so evident in America. No single rental company has as much as 15 percent market share, and beyond the five leaders, the "others" account for nearly half of total sales volume and revenues.

An *Automotive Fleet* research survey of the leaders indicates that there was an increase in rentals of about four percent in '84, with the major portion accounted for by U.S. tourists taking advantage of the record-high strength of the American dollar. European domestic rental usage remains at a stable level.

Research also indicates that among the leaders, there exists a very competitive battle for "Number One" in the combined areas of Europe, the Middle East, and Africa, with less than a few percentage points separating the top three companies: Avis, Europcar, and Hertz. Avis appears to be the undisputed leader in Africa, and Europcar enjoys a dominant share of the market in the Middle East. Interestingly, Hertz is virtually absent in the Middle East with the exception of Israel.

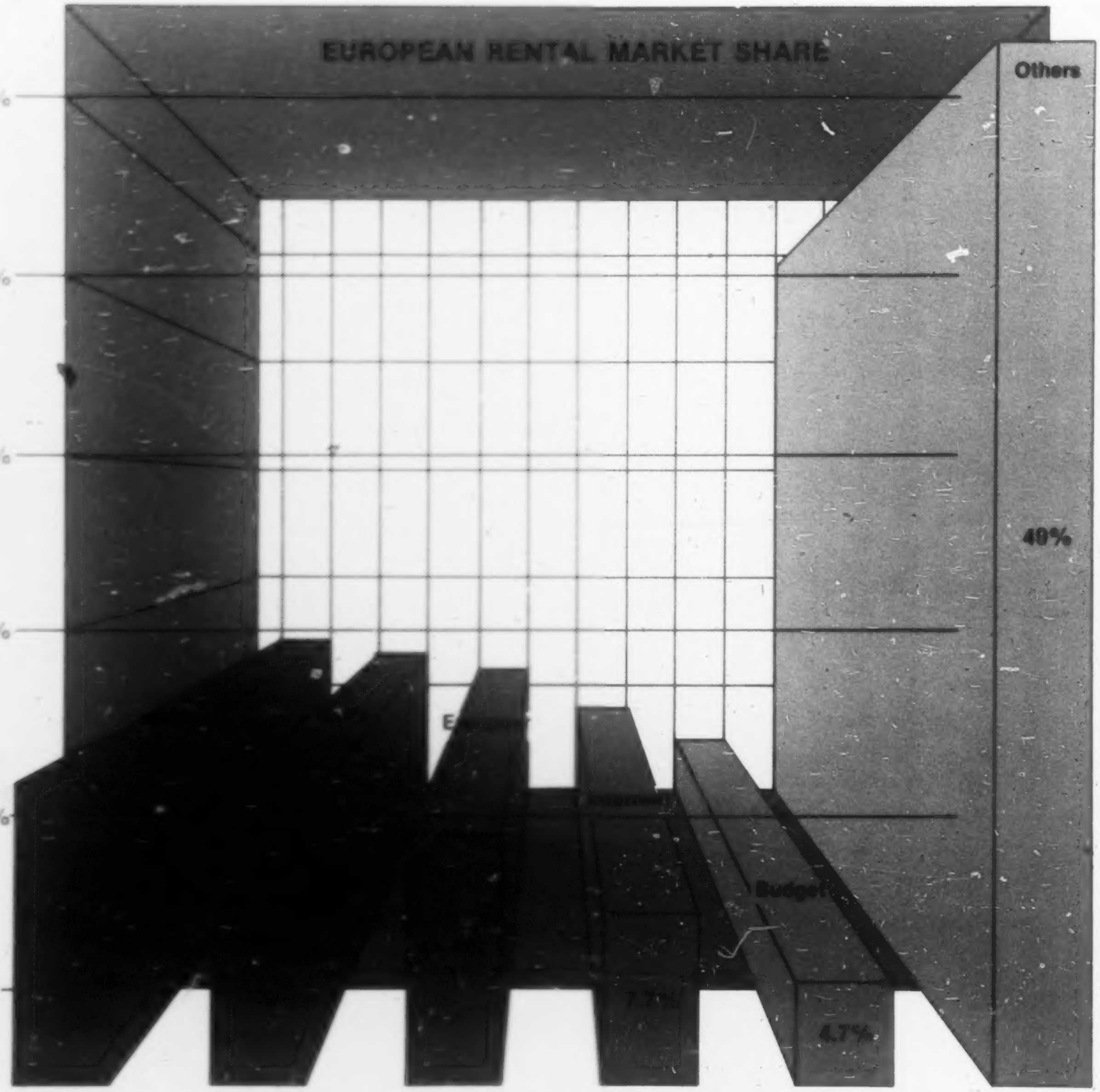
In Western Europe, individual country leadership for the top market share and Number-One rank is as follows: Hertz is Number One in the Netherlands, Switzerland, Austria, and Luxembourg. Avis is Number One in Belgium, Italy, Portugal, Spain, and Norway. And Europcar is Number One in

". . .the proliferation in Europe of buybacks. . ."

France, the United Kingdom, Ireland, Sweden, and Finland.

Budget appears to be increasing market share but traditionally runs fourth or fifth in these markets. And not surprisingly, except for Switzerland and Norway, the "other" rental companies combined still dominate the overall rental market.

A distinct and notable difference between the European and U.S. rental markets is the proliferation among the European rental companies of buybacks in the acquisition/disposal area, providing ensurance for budgetable costs over the car's period of use. AF



Based on the 13 western European countries for 1984 with an estimated universe of 15 million rentals for the year.

Europcar - Owned by Renault, operating agreement with National Car
Interrent - Owned by VW: operating agreement with Dollar

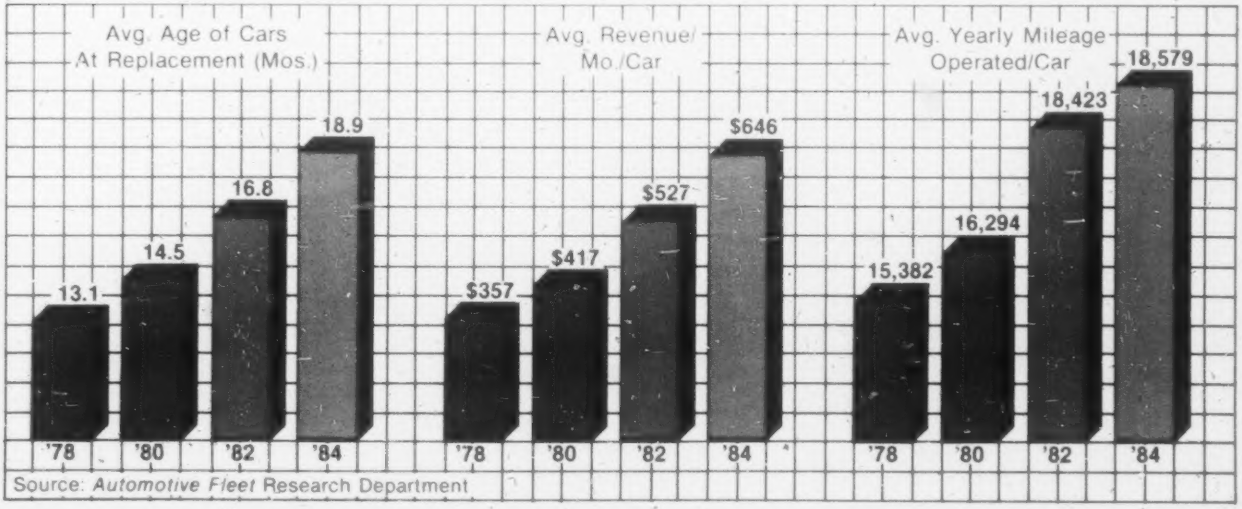
Source: Automotive Fleet research department

U.S. DAILY-RENTAL MARKET PROFILE

Rank	Company	Number U.S. Cars	Percent On-Airport Market Share '83	'84	Estimated '84 Revenue
1.	Hertz	140,000	34%	33%	$900 million
2.	Avis	110,000	25	24	600 million
3.	National	100,000	19	20	550 million
4.	Budget	95,000	17	17	500 million
5.	Dollar	38,000	3	4	300 million
	Other On-Airport	32,000	2	2	100 million
	Total On-Airport	**515,000**	**100%**	**100%**	**2.95 billion**

Off-Airport Summary

FALS (Ford Dealers)	37,000		—
GM Dealers (not org.)	30,000		—
Enterprise	23,000		—
American International	20,000		—
Thrifty	20,000		—
Alamo	20,000		—
Agency Auto	18,000		—
Jiffy	18,000		—
DRAC (Chrysler Dealers)	18,000		—
Snappy	15,000		—
Ajax	15,000		—
Value	15,000		—
All Others	21,000		—
Total Off-Airport	**270,000**	**Total Off-Airport Revenue**	**$950 million**
TOTAL RENTAL MARKET	**785,000**		**$3.9 billion**



Source: *Automotive Fleet* Research Department

NAFA Polls 401 Fleets

Survey Finds Increase in Personal-Use Charges Reported As Income

A total of 401 fleets, operating 264,905 passenger cars, participated in NAFA's annual Personal Use Survey. Among the responses are 307 from commercial fleets in the United States, 21 public utility fleets, and 32 government fleets. The Canadian section of the survey consists of 47 fleets.

Although this survey is known as the Personal Use Survey, it actually contains information on four specific fleet management areas: 1) personal use of company-provided vehicles; 2) criteria for assignment of company cars; 3) reimbursement for use of personally owned cars for business, and 4) compensation or sale of cars to employees who no longer qualify for a company-provided vehicle. Each of the four subjects is covered within the individual industry grouping.

Survey Highlights

- Nearly eight out of ten U.S. fleets reimburse drivers 20 or 20.5 cents a mile for business use of personal cars.
- One out of three U.S. fleets now charge more than 15 cents a mile for personal use of the company car.
- For the first time, more companies use a flat rate for a personal use chargeback than a straight mileage rate.
- More fleets than ever are now adding the personal use charge to the employee's income tax form as additional income.

NAFA breaks the responses down into seven categories: Drug and Cosmetics, Chemical and Petroleum, Food and Beverage, Insurance, Manufacturing-Consumer, Manufacturing-Industrial, and Miscellaneous. *Automotive Fleet* selected three of the above

SUMMARY OF SURVEY RESPONSES

Industry Group	Number of Fleets	Company-Owned Cars	Leased Cars	Total
Food & Beverage	38	10,999	10,812	21,811
Manufacturing-Consumer	40	6,389	13,753	20,142
Insurance	59	19,783	17,017	36,800
Chemical & Petroleum	33	17,233	11,080	28,313
Drug & Cosmetics	42	2,573	29,719	32,292
Manufacturing-Industrial	63	14,283	44,342	58,625
Other	32	2,604	9,318	11,922
U.S. Commercial Total	307	73,864	136,041	209,905
Public Utility	21	22,620	569	23,189
Government	32	18,764	204	18,968
Canada	47	4,900	7,731	12,631
Total	**407**	**120,148**	**144,545**	**264,693**

“. . .charging drivers for off-hours accidents.”

categories: Insurance, Manufacturing-Consumer, and Manufacturing-Industrial.

Insurance Group

The Insurance Group consists of 59 fleets operating 36,800 passenger cars (19,783 company-owned, 17,017 leased). Fleets in the group report that personal use accounts for 20 percent of the total mileage their cars are driven.

1. Personal Use Policies

Fifty-eight of the 59 fleets in the Insurance Group permit personal use of the company-provided car. One fleet limits the use to "commuting," two fleet ban its use on weekends and holidays, and four fleets do not permit the company car to be driven on vacations.

Ten fleets in the group place some limitations on the amount of personal use permitted. Some of the specific limitations mentioned include "cannot exceed 49 percent of the total mileage;" "6,500 miles a year;" "10 percent of business mileage;" "reasonable (in our judgment);" "commuting miles only;" "1,000 a month;" "1,000 miles when on vacation," and "50 mile radius of their home."

Two fleets in the group do not charge for personal use, the other 56 that permit personal use do have a chargeback system. Twenty fleets use a straight mileage charge. Three fleets each charge 14 and 20.5 cents a mile. Two fleets each charge 15 and 16 cents a mile, while one fleet charges 9, 10, 11, 12, 12.5, 13, 17, and 20 cents a mile.

Among the fleets with a flat rate, five fleets charge $50 a month; three charge $30 a month. Other monthly charges (by one fleet each) include $35, $37.50, $39, $40, $45, $55, $60, $75. One fleet's charge ranges from $40 to $60 a month depending on size of car, while another's charge ranges from $85 to $200 a month. Weekly charges (again by one fleet each) are $12 a week and $20 a week. One fleet charges $520 a year, while another's charge is "25 percent of the total car cost."

Fifteen fleets in the Insurance Group use a combination chargeback system. These chargebacks include six cents a mile and $15 a month; $10 a week and 15 cents a mile over 6,500 miles a year; nine cents a mile with $650 added to the employee's W-2 form; $684 implied annual income added to W-2; nine cents a mile over 600 miles a month plus $650 added to W-2; nine cents a mile plus $30 a month; 15 cents a mile and $60 a month; $50 a month plus 12 cents a mile over 600 miles a month; $39 a month plus 13 cents a mile over 300 miles a month; $15 a month plus five cents a mile; $43.25 a month plus 10 cents per mile for trips over 200 miles; 10 cents a mile and $20 a month, $19 a month and 15 cents a mile, and $42 a month plus 14 cents a mile.

Twenty-eight fleets in the Insurance Group collect for personal use by means of an expense report deduction; 17 use a salary deduction, while 11 use other methods of collecting the chargeback. In most of these fleets the personal use chargeback was added to the employee's W-2 form as additional income. In one fleet the employee pays for personal use by a check to the company.

Sixteen fleets said they increased their personal use chargeback in 1984, the majority of them staying within their current system, but increasing the amount. However, one fleet switched from a flat rate to 20.5 cents/mile, while another went from a mileage charge to a flat rate.

Reimbursement For Use Of Personal Car
Mileage Only
(Assigned Fleet Car Not in Service)
U.S. Commercial Fleets Only

Amount	1980	1981	1982	1983	1984
15¢ or less	4%	3%	5%	2%	1%
16, 17, 18, 19¢	43%	15%	13%	9%	8%
20¢	43%	66%	68%	73%	56%
20½¢	*	*	*	*	23%
21, 22, 23, 24¢	11%	17%	11%	14%	9%
25¢ or more	*	*	3%	3%	3%

Note: *Not broken out in surveys for those years but included in more than 20 cents a mile" total.

In four fleets personal use is restricted to the employee only; in the other 54 fleets permitting personal use both the employee and spouse can use the company car. Twenty-four fleets permit licensed children to drive, and six extend the driving privilege to "others" in the same household.

Minimum age requirements for driving the company car are set by 11 fleets. Two fleets each set the minimum age at 18, 21, and 25 years. One fleet each has a minimum age of 20 and 26.

Twenty-two fleets in the Insurance Group charge the employee for repair costs resulting from an accident occuring during personal use. One fleet charges the full amount; 11 have dollar payment ranging from a low of $50 to a high of $300. The most frequently mentioned figure is $100. Ten fleets assess the "insurance deductible" as the charge. This ranges from a low of $100 to a high of $250.

Thirty fleets say they "charge" the employee with an accident if another person was driving the car when the accident occurred; 27 do not enter such a charge on the employee's record.

2. Car Assignment

Thirty fleets in the group cite "job title" as the major factor in assigning company cars; 25 say they use mileage driven, while nine fleets say the "fringe benefit" of the car is a factor in its assignment to an employee.

". . .compensating for loss of eligibility. . ."

Among the fleets using mileage as a criterion for assigning a company car, eight say the minimum requirement is 12,000 business miles a year. Six fleets set the minimum at 15,000 miles, while three fleets each use 10,000 and 18,000 miles. Other mileage requirements mentioned include (each by one fleet) 6,000 miles, 7,500, 8,000, 8,500, and 22,000 miles a year.

3. Business Use of Personal Car

In reimbursing an employee for business use of a personal car (when there is no assigned company car) most fleets use a straight-mileage payment. In 24 fleets the rate is 20 cents a mile. Eight fleets pay 20.5 cents a mile; two pay the employee 23 cents a mile. Other reimbursement rates include (by one fleet each) 17 cents, 17 cents plus gas, 18, 18.5, 19, 21.5, and 22 cents a mile.

Reimbursement For Use Of Personal Car
Mileage Only
(No Assigned Fleet Car)
U.S. Commercial Fleets Only

Amount	1980	1981	1982	1983	1984
15¢ or less	3%	1%	2%	2%	1%
16, 17, 18, 19¢	43%	13%	15%	11%	10%
20¢	43%	68%	69%	72%	56%
20½¢	*	*	*	*	22%
21, 22, 23, 24¢	11%	17%	10%	12%	10%
25¢ or more	**	**	4%	3%	1%

Notes: *Not broken out in surveys for those years but included in "20 cents a mile" figure.

**Not broken out previously, but included in the "more than 20 cents a mile" percentage.

Five fleets reimburse the employee on a sliding scale: 20.5 cents a mile for the first 15,000 miles, then 11 cents a mile; 22 cents a mile for the first 7,000 miles, then 18 cents a mile; 24 cents for the first 10,000 miles; 19 cents for the next 5,000, then 16 cents a mile for any additional mileage; 24 cents for 1,000 miles, then nine cents for additional driving; and 16 cents for the first 700 miles in a month, plus 10 cents a mile for the balance.

Two fleets reimburse the driver of a personal car on a combination basis. In one fleet the rate is $22 a week plus 20 cents a mile; in the other fleet it is nine cents a mile plus $25 a month.

In reimbursing an employee for business use of a personal car when an assigned fleet car is not in operation, every fleet uses a straight mileage method of payment. In 24 fleets the rate is 20 cents a mile; in 11 fleets the rate is 20.5 cents, while in two fleets each the rate is 18 and 18.5 cents a mile. One fleet each reimburses the employee at these rates: 16 cents a mile, 17, 19, 21, 21.5, 22, 23, and 26 cents a mile.

4. Compensation for Loss of Car

Twenty-one fleets in the Insurance Group make a one-time cash payment to compensate an employee for loss of eligibility for a company-assigned car. In six fleets the payment is $1,500; four fleets pay $2,000; two fleets each pay $1,600; $1,800; and $2,500. One fleet each pays the employee $1,000, $1,200 and $7,500. One fleet gives the employee $2,000 when the car is re-assigned and another $1,000 a year later if the employee is still working for the company. The payment by another company is two-thirds of a month's salary.

One fleet permits the employee to keep the car until its scheduled replacement; then offers to sell it with a three-year interest-free loan. Another company offers the employee three options: continue using the car for six months; lease the car at the company's current rate for a year; or get a cash bonus.

Thirteen fleets offer to sell the car to the employee. The price at which the company will sell the car includes: in four fleets, AMR; in three fleets, the wholesale value; in two fleets each, AMR less 15 percent and "book value." Other prices are Blue Book less $200; half of market value; 90 percent of AMR less mileage; NADA wholesale; or AMR or book value, whichever is higher.

Manufacturing-Consumer Group

The Manufacturing-Consumer Group consists of 40 fleets operating 20,142 passenger cars (6,389 company-owned, 13,753 leased). Personal use amounts to 18 percent of the total mileage driven by these fleets.

1. Personal Use Policies

Every fleet in the group permits personal use of the company provided car after working hours, on weekends and holidays, and for vacation travel.

Four fleets place some limitations on personal use. They include 600 free miles for vacation travel and then a 10-cent-a-mile charge; 200 miles a month; use only within a 350-mile radius of the division point. One fleet says personal use must be "reasonable."

Thirty-two of the 40 fleets in the group charge for the personal use of the company car. Ten fleets have a personal mileage charge; 18 have a flat weekly or monthly charge, while one uses a combination of both methods. The mileage charges in two fleets each are 10 and 11 cents a mile. One fleet each charges 12, 13, 14, 20, and 20.5 cents a mile. Another fleet that charges 20 cents a mile deducts 13 cents from the employee's expense account and adds seven cents a mile to his W-2 form as additional income. The one fleet using a combination charge sets it at 10 cents a mile plus $21 a month.

Among the fleets with a flat chargeback rate, three each charge $30 and $40 a month. Two fleets charge $45 a month. Other monthly charges include (in one fleet each): $20, $25, $33, $50, and $150 a

". . .assigning cars by mileage driven. . ."

month. Weekly charges (in one fleet each) are: $3, $10, $11, and $11.50.

Four fleets reported they increased their personal use chargebacks in 1984; a number of others said they plan to raise them in 1985.

Of the 32 fleets that charge for personal use, 15 collect the chargeback through an expense report deduction; 12 collect it through a salary deduction; while five use other methods. Four of these five fleets add the personal use chargeback to the employee's income on the W-2 form at the end of the year; the fifth fleet requires the employee to pay for such use by personal check.

Four fleets in the Manufacturing-Consumer group permit only the employee to drive the company car. The other 36 fleets permit both the employee and spouse to use the car, while 19 extend the driving privilege to children of the employee. Four fleets permit personal use by "others" in the same household.

Nineteen fleets have a minimum age requirement for use of the company car. In seven fleets the minimum age is 21; in four fleets each it is 18 and 25 years. One fleet only requires the driver to be licensed and in another the minimum age is set at 16.

A portion of the repair costs resulting from accidents that occur during personal use is borne by the employee in 13 fleets. Four of them have a fixed dollar amount ranging from a low of $50 to a high of $350. In nine fleets the employee's share of the repair costs is the "insurance deductible" which ranges from a low of $100 to a high of $500, with $250 being the most commonly cited amount charged to the employee.

2. Car Assignment

In response to the question "what factors govern the assignment of company cars," 11 fleets said "mileage driven;" 29 said "job title," while 10 mentioned "fringe benefit." The number of responses is higher than the number of fleets in the group because several fleets indicated that more than one factor is considered.

Of the 11 fleets citing mileage driven, three set the minimum business miles at 15,000 a year, while two each say it is 10,000, 18,000, and 20,000 miles. In one fleet the requirement is 16,900 miles a year, while in the other it is 30,000 business miles.

3. Business Use of Personal Cars

There are two situations that may exist in reimbursing employees for business use of a personal car—no assigned company car, or the assigned car is not in operation.

When there is no assigned company car, 29 fleets in the Manufacturer-Consumer Group reimburse the employee for use of the personal car on a straight mileage basis. Fifteen fleets pay 20 cents a mile; six pay 20.5 cents a mile. Two fleets pay the employee 22.5 cents a mile, while one each reimburses at the rate of 15, 18, 22, 32, and 33 cents a mile.

Three fleets in the group reimburse the employee on a cash payment and mileage basis. One fleet each pays 10 cents a mile and $155 a month; 12.5 cents plus $330 a month; 14 cents a mile and $240 a month. One fleet pays a flat rate of $350 a month.

When an employee is required to use a personal car because the company car is not operating, 20 fleets reimburse the employee at 20 cents a mile; five pay 20.5 cents a mile. Other rates are (in one fleet each): 10 cents, 18, 19, 22, 22.5, 24, 25, and 33 cents a mile.

One fleet pays the employee 32 cents a mile for the first 900 miles driven, then 18 cents for the remaining mileage. Another fleet pays 14 cents a mile plus $250 a month.

4. Compensation for Loss of Car

When an employee is no longer eligible for a company car, four fleets in the Manufacturing-Consumer Group make one-time cash payment as reimbursement for loss of the car. The payments are $2,000, $3,000, $4,500, and $5,500.

Six fleets in the group offer to sell the car the employee is driving. Two will sell it at "fair market value," while one each set the price at 75 percent of wholesale, book value, 90 percent of AMR, and wholesale. In addition, one fleets says it allows the employee to keep the car for six months to a year, while one other fleet says the "employee can keep the car."

Manufacturing-Industrial Group

The Manufacturing-Industrial Group consists of 63 fleets operating 58,625 passenger cars (14,283 company-owned, 44,342 leased). According to the participating fleets, personal use accounts for 18 percent of the total mileage driven in a year.

1. Personal Use Policies

Sixty-two of the 63 fleets in the group permit personal use of the company-provided car after working hours, on weekends and holidays. Two fleets do not permit personal use for vacation travel.

Seven fleets place specific limitations on personal use. In two fleets the limit is 20 percent of the total mileage driven; in another fleet personal use must be less than 50 percent of total use. Three of the fleets limit use on vacations; the limits are 300, 1,000, and 2,500 miles.

Seven fleets in the group do not charge for personal use; 56 do require a chargeback. Twenty fleets use a straight mileage charge; 26 have a flat weekly or monthly use charge, while eight have a combination of mileage and flat rate chargeback policy.

Among the fleets with a mileage charge; three each set it at 10, 12, and 14 cents a mile. Two fleets charge 11 cents a mile, while one fleet each has these charges: 8,9, 13, 18, 18.5, and 20.5 cents a mile. One fleet charges 8, 10, or 12 cents a mile depending on size of car driven.

Among the fleets with a mileage charge, three each set it at 10, 12, and 14 cents a mile. Two fleets charge 11 cents a mile, while one fleet each has these charges: 8,9, 13, 18, 18.5, and 20.5 cents a mile. One fleet charges 8, 10, or 12 cents a mile depending on size of car driven.

Five of the fleets with a monthly flat rate charge $35 a month; three fleets each charge $25, $30, $40,

“. . .limiting personal use by family members. . .”

and $56 a month. Other monthly charges (each by one fleet) are $5, $12, $13, and $18. One fleet charges $570 a year for personal use of the company car.

Eight fleets employ a combination of mileage and flat rate for personal use chargeback. They are (each by one fleet): five cents a mile with a $50 minimum per month, or one-half of one percent of the car's capitalized cost; fuel plus $50 a month; 10 cents a mile and $25 a month; 17 cents a mile and either $45 or $55 a month; seven cents a mile plus $55 a month for vacations; 14 cents a mile over 1,000 a month plus $115 a month; eight cents a mile and $34 a month; and $40 a month plus three cents a mile for each cylinder in the car's engine.

Twenty-seven fleets in the group collect the personal use chargeback through an expense report deduction; twenty-one have a salary deduction program; while six add the personal use charge to the employee's W-2 form as additional income.

Two fleets restrict personal use to the employee alone; the remaining 60 fleets permitting personal use say both the employee and spouse can drive the company car. In addition, 30 fleets permit licensed children to use the car, and four fleets extend the driving privilege to "others" living in the same household as the employee.

Thirty-three fleets have a minimum age requirement before personal use is permitted. In 12 fleets it is 21 years of age; in nine fleets each it is 18 and 25. One fleet each has a minimum age of 21 for females and 25 for males.

In 28 fleets some portion of the repair cost resulting from an accident during personal use is charged to the employee. One fleet charges the full amount; 12 have a specific dollar amount that ranges from a low of $100 to a high of $1,000, with $100 and $250 being the most frequent. Fourteen fleets charge the "insurance deductible" to the operator. The range in this category is from a low of $50 to a high of $1,000; $250 is the most often cited figure.

Thirty-three fleets charge the employee with an accident if another person was driving the company car when the accident occurred.

2. Car Assignment

In responding to the question, "What factors govern assignment of a company-provided car?" 27 fleets report business mileage as the dominant factor; 52 said it is "job title;" while 12 cite "fringe benefit." One fleet says economic justification determines car assignment, while another requires a minimum of one year on the job. There are more responses than participating fleets because of multiple answers by a number of fleet managers.

Among the fleets citing business mileage, 10 use 15,000 miles a year as a criterion; six set the level at 10,000 miles a year. In three fleets

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the minimum is 18,000, while in two fleets it is 12,000 miles. One fleet each sets the minimum requirement at 6,000 miles a year, 13,000, 14,000, 17,000, 20,000, and 22,000 business miles a year.

3. Business Use of Personal Cars

In reimbursing an employee for the business use of a personal car when there is no assigned company car, 28 fleets pay the employee 20 cents a mile. Seven fleets pay 20.5 cents a mile; four pay 21 cents. One fleet each pays 17, 18, 22, and 32 cents a mile for such use.

Seven fleets employ a mileage rate and fixed payment scale to reimburse the employee. The rates are (in one fleet each): nine cents a mile and $55 a week; nine and a half cents a mile plus $325 a month; 10 cents a mile and $175 a month; eight cents a mile and $180 a month; 20 cents a mile and $325 a month; eight and a half cents a mile and $270 a month; and 10 cents a mile plus $200 a month. Two fleets reimburse the driver on a graduated or sliding mileage scale. The rates are 20 cents a mile for the first 1,500 miles a month, then 11 cents a mile, and 21 cents a mile for the first 1,250 miles, then 10 cents a mile.

When an assigned fleet car is not in service, every fleet but one reimburses the employee for use of a personal car on a straight mileage basis. In 36 fleets the rate is 20 cents a mile; in nine fleets it is 20.5 cents a mile; four fleets pay 21 cents. One fleet each pays 9.5, 17, 18, 18.5, 22, and 22.5 cents a mile. The one fleet with a sliding scale pays the employee 20 cents a mile for the first 1,250 miles, then ten cents a mile thereafter.

4) Compensation for Loss of Car

Only three fleets in the Manufacturing-Industrial Group make one-time cash payment to an employee who, because of transfer or reassignment, is no longer eligible for a company car. One company will pay the value of the car or buy it and give it to the employee; another makes a payment equal to one-third the value of the car; while the third makes an allowance for use of public transportation. In New York and Chicago the allowance is $250 a month.

However, 24 fleets are willing to sell the company car to an employee who is no longer eligible for car assignment. Five fleets set the price at "wholesale value;" four sell it at "book value." AMR is the pricing guide in a number of fleets—in two the AMR quote is the price charged; another says "AMR clean," also mentioned are "discounted AMR," "85 percent of AMR fair," "at AMR if car is surplus." In addition to those fleets that sell the car at wholesale, others mention these: "below wholesale," "wholesale less $200," and "90 percent of wholesale." Other prices asked include "buy out price from leasing company," "depreciated value," and in two fleets "fair market value."

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( ) 1985 Fleet Cars – Selection Chart
( ) The Lease Piece – Fleet Newsletter
( ) Leasing Lexicon – Terminology Folder

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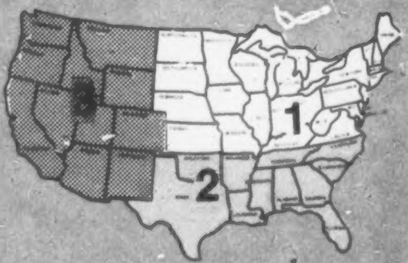

The following are average car prices for the period ending February 6, 1985. Prices are based on wholesale activity at major dealer auctions across the country. They are divided into three zones as indicated on the accompanying map. These averages are calculated electronically on IBM machines. They are based on clean cars only. Proper allowance should be made for upgrading sharp cars and proper deduction taken for fair cars. Automatic transmissions have been included in the averages of all models. This information is published in *Automotive Fleet* by special permission of Automotive Market Report.

	AVERAGE AUCTION PRICE		
Model	**Zone 1**	**Zone 2**	**Zone3**
83 AMC CONCORD			
Sdn	4382	4434	4350
Sta Wgn	4627	4665	4591
82 AMC CONCORD			
Sdn 6-4 Dr	3452	3486	3418
Sta Wgn	3634	3670	3598
83 BUICK SKYLARK			
Sdn Custom	4979	5030	4930
82 BUICK SKYLARK			
Sdn	4117	4161	4077
83 BUICK REGAL			
Sdn	6397	6461	6332
Cpe	6575	6641	6511
82 BUICK REGAL			
Turbo Cpe	5754	5812	5696
Cpe	5574	5629	5519
83 BUICK LESABRE			
Sdn Custom	7520	7596	[illegible]
82 BUICK LESABRE			
Sdn Custom	6164	6226	6102
83 CADILLAC			
Cpe DeVille	11187	11300	11076
Sdn DeVille	11121	11232	11009
82 CADILLAC			
Cpe DeVille	9153	9241	9059
Sdn DeVille	9094	9184	9004
83 CHEVY			
Chvt Htchbk 2-Dr	3344	3377	3309
Chvt Htchbk 4-Dr	3418	3453	3383
Camaro Cpe 8	7063	7126	6986
82 CHEVY			
Chvt Htchbk 2-Dr	2704	2732	2677
Chvt Htchbk 4-Dr	2765	2792	2737
Camaro Cpe 8	6054	6115	5993
83 CHEVY CELEBRITY			
Sdn	5829	5888	5770
82 CHEVY CELEBRITY			
Sdn	4841	4889	4792
83 CHEVY CAVALIER			
Sdn	4875	4934	4826
82 CHEVY CAVALIER			
Sdn	4007	4047	3966
83 CHEVY CITATION			
Cpe 6	4159	[illegible]	4117
82 CHEVY CITATION			
Cpe 6	3166	3198	3134
83 CHEVY MALIBU			
Clas Sdn	5757	5813	5700
Clas Sta Wgn	5992	6052	5932
82 CHEVY MALIBU			
Clas Sdn	4733	4790	4685
Clas Sta Wag	4939	4987	4889
83 CHEVY MONTE CARLO			
Cpe	6439	6504	6376
82 CHEVY MONTE CARLO			
Cpe	5350	5403	5294
83 CHEVY IMPALA			
Sdn	6380	6443	6317
82 CHEVY IMPALA			
Sdn	5139	5190	5088
Wgn 8	5339	5392	5285
83 CHEVY CAPRICE			
Sdn	6964	7034	6894
Sta Wag	7205	7276	7131
83 CHRYSLER			
E-Class Sdn	6213	6274	6151
82 CHRYSLER			
New Yorker Sdn	7639	7717	7563
83 DODGE OMNI			
4 Dr Cust	3939	3977	3900
82 DODGE OMNI			
4 Dr Cust	3055	3086	3023
83 DODGE ARIES			
Cpe	4655	4702	4610
82 DODGE ARIES			
Sdn	3631	3668	3596
83 DODGE DIPLOMAT			
Sln Sdn	5339	5392	5286
82 DODGE DIPLOMAT			
Sln Sdn	4266	4308	4223
83 FORD FAIRMONT			
Futura 6-Cyl Sdn 4 Dr	4412	4456	4369
82 FORD FAIRMONT			
Futura Sdn 4-Dr	3496	3531	3461
83 FORD MUSTANG			
L-Cpe 4	4875	4923	4826
82 FORD MUSTANG			
L-Cpe 4	3921	3962	3882
82 FORD GRANADA			
Sdn 6-L	4119	4163	4078
83 FORD LTD			
Sdn	5589	5646	5532
82 FORD LTD			
Sdn	5397	5451	5342
82 FORD ESCORT			
Sdn 4 Dr	2935	2964	2904
83 FORD CROWN VIC			
Sdn	7950	8031	7870
82 FORD CROWN VIC			
Sdn	6312	6378	6250
83 FORD THUNDERBIRD			
Cpe	6792	6862	6726
82 FORD THUNDERBIRD			
Cpe	5377	5430	5323
83 LINCOLN CONTINENTAL			
Sdn	13182	13314	13050
Mark VI Cpe	13319	13451	13186
82 LINCOLN CONTINENTAL			
Sdn	10904	11013	10794
Mark VI Cpe	11038	11150	10931
83 MERCURY COUGAR			
Cpe	6915	6984	6847
82 MERCURY COUGAR			
GS Cpe	4161	4201	4117
Sdn	4161	4201	4117
82 MERCURY ZEPHYR			
Sdn 4 Dr	3546	3579	3509
83 MERCURY LYNX			
HitchBk 2-Dr	3801	3840	3764
83 MERCURY MARQUIS			
Sdn	5658	5714	5603
82 MERCURY MARQUIS			
Sdn	5696	5753	5639
Wgn-2S	5873	5931	5812
83 OLDS CIERA LS			
Cpe	6190	6251	6128
Sdn	6271	6333	6207
83 OLDS CUTLASS SUPREME			
Cpe	6664	6731	6597
Sdn	6478	6546	6415
82 OLDS CUTLASS SUPREME			
Sdn	5420	5476	5366
Cpe	5634	5691	5577
83 OLDS DELTA			
Sdn	7233	7304	7161
83 PLYMOUTH HORIZON			
4 Dr Htchbk	2814	2842	2786
83 PLYMOUTH RELIANT			
Cpe	4668	4715	4620
82 PLYMOUTH RELIANT			
Cpe	3620	3656	3584
82 PONTIAC FIREBIRD			
Cpe 8	6101	6160	6039
82 PONTIAC BONNEVILLE			
Sdn 6	5201	5253	5148
83 PONTIAC PHOENIX			
Cpe	4492	4538	4450
Htchbk Sdn	4492	4538	4450
82 PONTIAC PHOENIX			
Cpe 6	3695	3731	3657
83 VOLKSWAGEN RABBIT			
2 Dr Htchbk	4518	4563	4473
82 VOLKSWAGEN RABBIT			
2 Dr Htchbk	3497	3532	3462
83 DATSUN			
Sentra 2 Dr Std Sdn	4047	4087	4007
Stanza Hbk 4 Dr Dlx	5515	5570	5460
82 DATSUN			
210 Std 2 Dr	3095	3126	3064
Sentra 2 Dr	3394	3428	3360
Stanza Hbk 4 Dr Dlx	4437	4481	4393
83 TOYOTA			
Corolla Sedan 2 Dr	4870	4919	4821
Celica St	6792	6860	6724
Camry	7791	7869	7713
82 TOYOTA			
Corolla 2 Dr Sdn	4040	4080	4000
Celica St Cpe	5516	5571	5461
Corona Sdn Lux	5549	5604	5494

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april 1985

automotive FLEET

THE MANAGEMENT MAGAZINE FOR CAR
AND LIGHT TRUCK FLEET OPERATORS

bright ideas for
controlling costs

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automotive FLEET

THE MANAGEMENT MAGAZINE FOR CAR
AND LIGHT TRUCK FLEET OPERATORS

Influencing over 3.4 million cars and 1.6 million light trucks and vans in
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On our cover: Keeping a handle on operating costs is one of the fleet manager's greatest challenges. But coming up with bright ideas for controlling fleet costs is what separates the pros from the average Joes.

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Calendar

APRIL

12-14 — National Vehicle Leasing Association certification programs, San Francisco, CA; information: (213) 477-4287.

15-17 — Leasemark Lease Management Training Course, Schaumburg Marriott Hotel, Schaumburg, IL.

15-18 — National Association of Fleet Administrators Automotive Systems and Maintenance Technologies course, San Francisco Hilton and Tower, San Francisco, CA.

25-28 —Association of Commuter Transportation Conference, Toronto, Canada.

MAY

1-5 — National Vehicle Leasing Association Convention, Broadmoor Hotel, Colorado Springs, CO.

6-9 — National Association of Fleet Administrators Automotive Systems and Maintenance Technologies course, Hyatt Cherry Hill, Cherry Hill, NJ.

16-17 — Buzz Doering Automobile Leasing Seminar, LaGuardia Marriott, New York, NY.

29-June 2 — Automotive Fleet and Leasing Association Convention, Westin Copley Plaza, Boston, MA.

JUNE

2-5 — National Association of Fleet Administrators' 28th Annual Conference, Sheraton-Boston, Boston, MA.

16-19 —Electric Utility Fleet Members Conference Williamsburg, VA.

Gas Prices

	UNLEADED	
	Cost Per Gallon Unleaded	
City	Full-Serve	Self-Serve
Fort Smith, AR	120.9	107.2
Needles, CA	153.9	130.9
Pueblo, CO	125.9	104.9
Tampa, FL	146.9	119.2
Atlanta, GA	137.8	108.4
Spencer, IA	114.9	106.9
Emporia, KS	131.5	103.4
Worcester, MA	117.9	107.4
Kalamazoo, MI	153.0	118.9
Rolla, MO	127.4	99.9
Wilmington, NC	127.9	107.4
Buffalo, NY	130.9	117.5
Lancaster, PA	147.4	118.9
Charleston, SC	143.5	113.9
La Grange, TX	126.0	101.9

Survey conducted during the first five working days of March, 1985.
Supplied by Runzheimer International, Runzheimer Park, Rochester, WI.

Operating Costs Rise 13 Percent on Closed-End Leased Vehicles

Operating costs for '84 rose 13 percent over '83 figures for closed-end leased vehicles. According to a recent survey of members of the American Automotive Leasing Association (AALA), total operating costs for closed-end leases totaled $331.58 per unit per month.

The '84 average represents a 12.97 percent increase over the '83 average of $293.50 dollars per month.

Other survey highlights include a slight drop in the average number of months in operation from 30.2 months to 29.9 months, plus a slight increase in the intermediate model-size's share of the closed-end fleet.

Earl Holtzman, managing partner of Michael Silver and Associates in Skokie, IL, presented the results of the member survey at the recent AALA convention in Palm Springs. Breaking operating costs down further, Holtzman noted that depreciation per unit per month averages rose from $173.40 to $206.05, an 18.83 percent increase. Repairs and maintenance per unit per month averages rose from $33.07 to

Comparative Analysis of Average Per Unit Per Month Costs
Years 1984 and 1983 (Closed-End)

OPERATING COSTS:	1984	1983	Increase (Decrease) Amount	Increase (Decrease) Percentage	Percentage of Total
Depreciation	$206.05	$173.40	$32.65	18.83%	85.1%
Repairs and maintenance	33.40	33.07	.33	1.00	.9
Insurance	16.57	13.15	3.42	26.01	8.9
License tags and taxes	8.90	7.93	.97	12.23	2.5
Interest	65.57	63.99	1.58	2.50	4.1
Delivery	1.09	1.96	(.87)	(44.39)	(2.3)
Total Operating Costs	**$331.58**	**$293.50**	**$38.08**	**12.97%**	**99.2%**
General and administrative	34.94	34.63	.31	1.00	.8
TOTAL COSTS	**$366.52**	**$328.13**	**$38.39**	**11.70%**	**100.0%**

	1984	1983	1982	1981	1980	1979	1978	1977
Total costs per month	$366.52	$328.13	$320.32	$306.82	$276.29	$247.98	$228.31	$212.01
Avg. mos. in operation	29.9	30.2	28.1	27.3	27.4	26.6	26.3	26.1
Avg. annual mileage	34,923	29,770	34,646	31,894	34,591	28,952	30,609	28,568

"Repairs and maintenance averages rose to $33.40."

Analysis of Per Unit Per Month Costs for the Year 1984 (Closed-End)

	Depreciation	Repairs and Maintenance	Insurance	Tags & Taxes	Interest	Delivery	Total Operating Costs	General & Administrative	Total Costs	Average Mo. in Operation
Less than 1,000 Cars Average Costs	$219.00	$15.59	—	$7.52	$69.69	$0.61	$303.40	$34.75		
1,000 to 1,999 Cars Average Costs	199.93	39.16	12.52	13.32	68.79	1.54	327.97	38.68		
Over 2,000 Cars Average Costs	202.64	34.67	18.59	8.23	60.98	1.00	314.31	33.16		
Combined Average Costs	206.05	33.40	16.57	8.90	65.57	1.09	331.58	34.94	366.52	29.9

$33.40, a 1 percent increase. Insurance per unit per month averages rose from $13.15 to $16.57, a 26.01 percent increase. License and taxes per unit per month averages rose from $7.93 to $8.90, a 12.23 percent increase. Interest per unit per month averages rose from $63.99 to $65.57, a 2.50 percent increase. Delivery per unit per month averages dropped from $1.96 to $1.09, a 44.39 percent decrease.

As mentioned above, taken together, those figures add up to a total operating cost average of $331.58, a $38.08 increase over the '83 figure. To that average should be added general and administrative per unit per month averages, which during '84 increased 1 percent to $34.94. The total cost per closed-end unit per month thus averages $366.52.

This total cost per closed-end unit per month average contrasts with the '83 total cost average of $328.13. In '80, the average was $276.29. And in '77, the average was $212.01.

During '84, the average composition of the AALA closed-lease fleet shifted slightly. Intermediate models accounted for 57 percent; standard models for 19 percent; and compact models for 24 percent. These figures represent a slight erosion of the standard segment into the intermediate class, when compared with averages from a year earlier.

As to the percentage averages per manufacturer, Chevy logged a 26 percent penetration. Ford and Lincoln-Mercury logged 13 and 3 respectively. Buick, Oldsmobile, Pontiac, and Cadillac averaged 18, 13, 5, and 1 percent of composition averages, respectively. And Chrysler logged 6 percent. "Others" accounted for 15 percent of average fleet composition, a 3 percent rise of the previous year's penetration. Grouped together, Chevrolet, Ford, and Chrysler netted 45 percent of the average closed-end fleet.

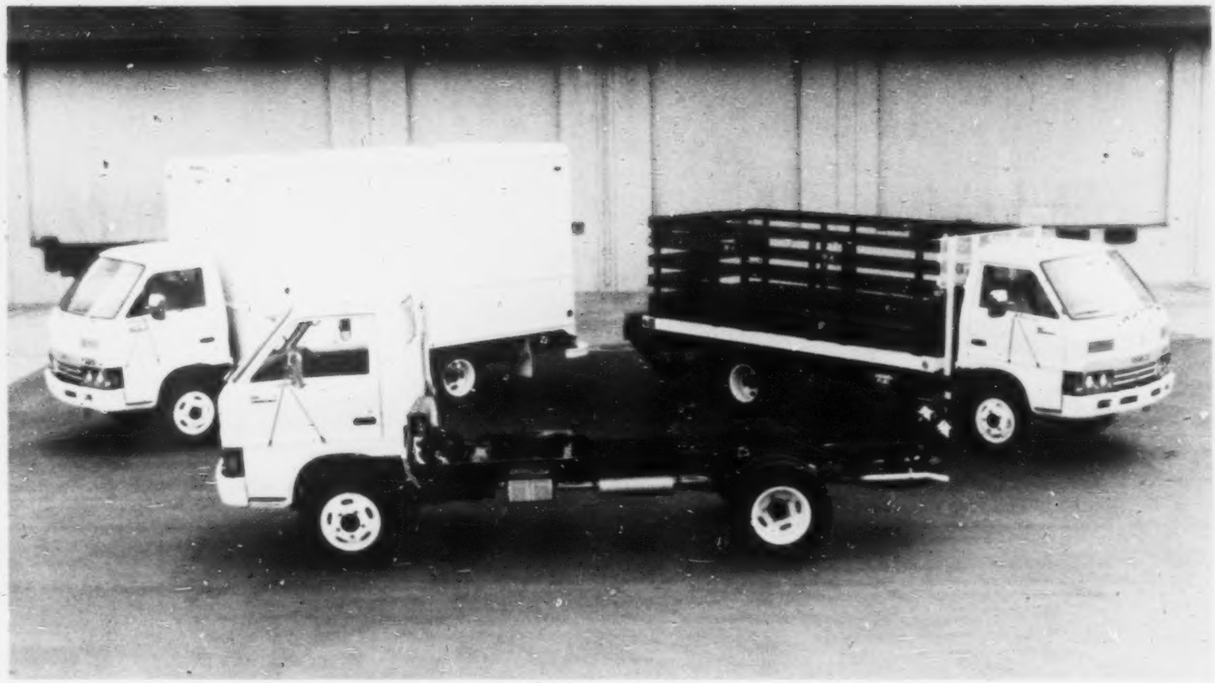
When it came to used-car disposition, averages for the closed-end AALA fleet showed 46 percent of the fleet being disposed of through used-car dealers. Lessee employee purchases accounted for 19 percent of off-lease disposals, and another 16 percent were disposed of through auctions. Only 9 percent went to new-car dealer sales, leaving "other retail" at an average of 10 percent.

Holtzman also presented averages for open-end AALA fleets. In terms of fleet composition, open-end averages were 33 percent standard, 47 percent intermediate, and 20 percent compact. Composition averages by manufacturer were 25 percent Chevrolet, 20 percent Ford, 2 percent Lincoln-Mercury, 6 percent Chrysler, 13 percent Oldsmobile, 12 percent Buick, 5 percent Cadillac, 4 percent Pontiac, 10 percent import, and 3 percent other. AF

Composition of Fleets (Closed-End)

	Model Sizes													
	Standard %	Intermediate %	Compact %	Air Conditioning %	Chevrolet %	Ford %	Chrysler Corp. %	Pontiac %	Oldsmobile %	Buick %	Cadillac %	Foreign %	Lincoln Mercury %	Other %
Averages — 1984 (Closed End)	19.00	57.00	24.00	96.00	26.00	13.00	6.00	5.00	13.00	18.00	1.00	13.00	3.00	2.00
Averages — 1983 (Closed End)	23.00	53.00	24.00	96.00	31.00	12.00	6.00	7.00	20.00	10.00	2.00	8.00	Included Other	4.00
Averages — 1984 (Open End)	33.00	47.00	20.00	96.00	25.00	20.00	6.00	4.00	13.00	12.00	5.00	10.00	2.00	3.00
Averages — 1983 (Open End)	24.00	54.00	24.00	90.00	27.00	18.00	6.00	3.00	14.00	8.00	2.00	11.00	Included Other	11.00

Recent Sales Point toward Boom in '85



Isuzu's beefy KS22 has been attracting urban-fleet attention

Class III, Revisited

Until recently, no category of commercial truck had experienced such a dramatic drop in factory sales as Class III. Weighing from 10,001 to 14,000 pounds and generally used for urban delivery, these vehicles were sold at an average annual pace exceeding 29,000 units throughout the seventies. But in '80, the total fell to 5,661; figures for '81-'83 were 311, 280, and 223.

Now, however, the popularity of these trucks seems again to be on the rise. Paced by the entry of Iveco Trucks of North America, Inc. and Isuzu Trucks of America, Inc., Class III sales reached 6,019 last year. And even more growth is predicted for this year.

Asked to explain Class III fortunes, manufacturers offer almost as many answers as there are applications for these workhorse rigs. According to one explanation, domestic makers "abandoned" Class III several years ago in a move to standardize components for the hotter-selling Class I and II light pickups. Another explanation ventures that the drop-off resulted when manufacturers simply reclassified the heavier vehicles into Class II (GVW: 6,001-10,000) in order to circumvent a 10 percent excise tax.

Indeed, that tax seems crucial to understanding Class III's turnaround. "A major reason the 10,000 to 14,000 category 'died' in the first place was because of artificial barriers," says Dave Tarrant, Ford sales manager for recreational vehicles and original equipment manufacturing. "The old excise tax law placed a 10 percent surcharge on any truck over 10,000 GVW. As a result, we tended to sell a lot of vehicles just under 10,000. If the buyer needed greater capacity, he would often go up to a much higher GVW — wanting naturally to get the most for his money.

"But in '82 the Surface Transportation Act removed that 'artificial' tax barrier (on Class III trucks)," Tarrant goes on. "And now the market has begun to react."

One firm enjoying much of that reaction is Isuzu Truck of America, a subsidiary of Japan's Isuzu Motors Ltd., the world's fifth largest manufacturer of diesel engines. Last year the California-based firm introduced its first Japanese truck for the U.S. market, the Class III KS22.

With a GVW of 10,500, the KS22 comes as a cab-chassis unit suitable for several types of bodies. The vehicle is powered by a 3.9-liter direct-injection diesel engine with a 5-speed manual transmission, and has a 130-inch wheelbase.

"...'designed specifically for city-suburban delivery'..."

Turbo
IVECO

Iveco's Z-120TA features turbo-charged 335

The KS22 features heavy-duty construction marked by a reinforced ladder frame and reverse Elliot I-beam front suspension. Cab design affords maximum utilization of the cargo space — the truck can carry a 5,700-pound payload — while allowing a small turning radius of some 41 feet. It's claimed that the KS22 will get up to twice the gas mileage of a comparable V-8 gas engine. And it's the only vehicle in its class with a standard exhaust brake.

"Ours is a true Class III truck, one built and designed specifically for city-suburban delivery," says Jack Dawson, national marketing manager for Izusu Truck. "Seventy to 80 percent of the units we've sold have been outfitted with van bodies, making them suitable for hauling everything from feathers to appliances. We're selling a lot to the construction industry, a lot to food processors, and the like."

Working through some 80 dealers in 20 states, Isuzu has sold a total of 400 KS22s, 300 of those in '85 alone. Dawson predicts the dealer-body will number 250 by the end of the calendar year, with KS22 sales approaching 5,000 units.

"We're selling all the trucks from Japan we can get our hands on," Dawson explains. "The biggest problem we have is with the bodies. Body-manufacturers already are up to capacity, and they're having difficulty keeping pace with industry sales."

Another company predicting record Class III activity this year is Iveco, the American diesel-truck arm of Iveco in Europe. After selling 3,452 vehicles in Classes III through V in '84 — making Iveco the best-selling European nameplate in this country — the Pennsylvania-based firm expects to top the 4,000 mark in '85.

Iveco's Class III entries are the Z-110 and the Z-120TA, both with maximum GVW of 11,600, and payload capacities of 6,200 pounds. The Z-110 is available as chassis cab or cutaway, with wheelbases of 118 or 141.7 inches. Power is supplied by a 335-cubic-inch, water-cooled, I-6 diesel mated to a 5-speed manual transmission. Turning radius for the smaller wheelbase is 36.5 feet; for the larger, 42 feet. The Z-120 is the turbo-charged version featuring the 335-cubic-inch engine as well as an automatic transmission. Turning radii are the same as the Z-110.

Iveco officials liken the firm's 1980 entry into Class III to a salesman offering a size-10 shoe to customers previously forced to wear size 9 — or 11. "At that time,

"Detroit will soon offer a 4x4 11,000 F-350."

many urban delivery trucks were either *overloaded* F350s, or *underloaded* F-600s," insists Todd Bloom, Iveco vice president for marketing. "We identified that gap in the marketplace and moved to fill it with a premium-quality, premium-performing vehicle."

Bloom says that most Class III Iveco sales have thus far been to wholesale and retail distribution firms. Many of them, he adds, were attracted by U.S. Auto Club figures which show Iveco's Z-110 achieving more than 82 percent better fuel economy than the gas-powered GMC C-3500, and 60 percent better economy than the gas Ford F-350.

GMC's C-3500

The makers of those vehicles, meanwhile, aren't standing still. Recognizing the re-emergence of Class III, Ford's Dave Tarrant says the Detroit firm will soon offer a 4X4, dual-rear-wheel version of the 11,000 GVW-rated F-350. Introduced as a 1985½ model, the vehicle will be aimed at farmers, ranchers, and small excavating contractors—"anybody who needs a one-ton kind of truck," Tarrant says. Additionally, Ford is beefing up F-series componentry (horsepower, axles), and may put its cargo-hauling, 11,000-GVW cutaway-with-van-body into regular production.

At GMC, most Class III activity occurs in the RV segment, where the P-3500 motor-home chassis has a GVW range of 10,500 to 14,500 pounds. While GMC offers 12,000-GVW cab-chassis rigs for urban delivery and some "parcel-delivery type" value-vans in the 11,500 to 14,000 pound category, they are reported mainly as Class II vehicles.

Ford's F-350

"We are currently wrestling with the definition of the Class III segment," a GMC official discloses. "But we're not doing anything more now than just looking."

Truck Retail Sales by Gross Vehicle Weight Group

Truck Retail Sales (Thousands)
Domestic (lbs. GVW)

Year	0-14,000	Over 14,000	Imports	Total
1971	1,679	333	85	2,096
1972	2,103	383	143	2,629
1973	2,470	446	233	3,148
1974	2,109	403	176	2,688
1975	1,974	275	229	2,478
1976	2,663	281	237	3,182
1977	3,012	341	323	3,675
1978	3,406	367	336	4,109
1979	2,636	374	470	3,480
1980	1,735	266	487	2,487
1981	1,587	222	451	2,260
1982	1,968	178	414	2,560
1983	2,477	181	471	3,129
1984	3,208	267	618	4,093

Import Penetration in U.S. Truck Market

(Thousands)

Year	From Japan	Imports Total	Share of U.S. Mkt Total Imports
1971	82	85	4.1
1972	142	143	5.4
1973	232	233	7.4
1974	175	176	6.6
1975	228	229	9.3
1976	236	237	7.5
1977	321	323	8.8
1978	334	336	8.2
1979	466	470	13.5
1980	481	487	19.6
1981	444	451	20.0
1982	407	414	16.2
1983	464	471	15.1
1984	608	618	15.1

NOTE: Domestic sponsored imports included with total imports and excluded from domestic sales. Beginning January 1980 passenger vans previously reported as passenger cars are now included with trucks.
SOURCE: Motor Vehicle Manufacturers Association.

Averages of 30.2 Months / 57,732 Miles

NAFA's Annual Used-Car Marketing Survey

The average service life is 30.2 months and 57,732 miles, and leased cars are replaced sooner than company-owned. Such is the brunt of a recent survey by the National Association of Fleet Administrators. A total of 216 NAFA members, responsible for 147,281 passenger cars, participated in the 1984 used-car marketing survey.

In order to provide a replacement-cycling policy and used-car marketing methods, the survey responses are divided into four general categories — U.S. commercial fleets, public utility, government, and Canadian fleets.

There are 143 fleets with 101,030 passenger cars in the U.S. commercial fleet segment. Their cars are kept in service an average of 30.2 months and driven an average of 57,732 miles before replacement.

These fleets marketed 32 percent of their cars in 1984. Three percent were 1980 or earlier models; 30 percent were 1981 models; 18 percent were 1983 models; and 7 percent were 1984 models, or one-year-old cars.

Thirty-two percent of the group's cars were sold to employees, 26 percent at auctions, 25 percent to wholesalers, 9 percent to used car dealers, and 8 percent were traded to new car dealers.

Where a valid comparison could be made, it is apparent that leased cars are kept for a shorter time and driven fewer miles than company-owned cars. The figures are 29.4 months and 56,471 miles for leased cars, compared to 36.5 months and 62,221 miles for company-owned cars.

The public-utility fleets keep their cars the longest. The average service life is 68.1 months, and they are driven 74,866 miles before replacement. The 15 fleets in the group replaced only 18 percent of their cars in 1984. The 27 government fleets represented in the survey keep their cars an average of 57.1 months and drive them 81,137 miles before replacement.

The Canadian segment of the 1984 survey consists of 31 fleets operating 7,483 cars. The Canadian fleets keep their cars in service 30.8 months and drive them 90,685 kilometers (56,225 miles) before replacement.

Here are relevant highlights for a number of different groups:

Manufacturing-Industrial Group

The Manufacturing-Industrial Group consists of 23 fleets operating 12,318 passenger cars (2,002 company-owned, 10,316 leased). In 1984 the fleets in this group sold 3,194 used cars, 28 percent of the vehicles in service at the beginning of the year.

NAFA's Used-Car Marketing Survey Summary Results

				Model Years						Selling Methods				
Group	Cars in Fleet	Owned	Leased	Sold in 1984	1980 and Earlier	1981	1982	1983	1984	Employee	Wholesale	Used Car	Auto Auction	Trade Ins.
Drug & Cosmetics (17)	15,045	1,114	13,931	5,743	—	547	3	1,245	359	1,774	2,195	745	974	—
Insurance (29)	23,125	13,930	9,195	8,337	146	2,025	2,089	1,310	248	1,961	702	538	2,385	1,428
Mfg. - Industrial (21)	12,318	2,002	10,316	3,194	—	407	1,927	414	39	972	1,109	395	566	16
Mfg. - Consumers (21)	19,914	10,440	9,474	6,670	56	2,640	2,883	818	55	3,006	1,130	40	2,280	35
Food & Beverage (14)	8,856	3,976	4,880	3,364	—	372	1,147	163	834	824	887	26	708	825
Chemical & Petroleum (18)	6,877	3,625	3,252	1,523	177	761	466	99	12	334	532	301	313	46
Banking & Financial (7)	854	300	554	210	19	38	46	14	10	47	22	—	141	—
Other (16)	14,041	12,352	1,689	3,131	247	655	1,741	420	45	698	861	550	822	30
U.S. Commercial (143)	**101,030**	**47,739**	**53,291**	**32,172***	**845**	**7,445**	**10,302**	**4,483**	**1,602**	**9,616**	**7,438**	**2,595**	**8,189**	**2,380**
Public Utility (15)	20,126	19,801	325	3,732*	547	3,120	53	12	—	116	41	108	3,468	—
Government (27)	18,639	18,529	110	3,189*	2,069	947	146	22	5	75	—	—	3,144	—
Canada (31)	7,486	3,626	3,860	1,812*	240	821	524	222	5	583	276	42	303	7

* These totals may differ from selling method totals because not everyone answered this section of the questionnaire

". . .the group sold 32 percent to employees. . ."

Fifteen percent of the cars sold were 1981 models; 69 percent were 1982 models; 15 percent were 1983 models; and 1 percent were 1984 model year cars.

When marketing their used cars, the fleets in the group sold 32 percent of their cars to employees; 36 percent to wholesalers, 13 percent to used car dealers, 18 percent to auctions, and 1 percent were sold or traded to new car dealers.

The average in-service life of the cars in the Manufacturing-Industrial Group was 31.1 months. On average, the cars had been driven 62,880 miles when sold.

In most of the fleets in this group, the responsibility for used car marketing was split between the lessor and fleet manager. In one fleet each, the fleet manager, the company car operator, and the field office were also involved in used-car marketing.

When setting a price of sale of a used car to employees, *AMR* price guides are the most widely used (by at least eight fleets). Three fleets rely on the NADA or *Black Book* as a guide, while a number of fleets use the undepreciated book value as the basis for setting the price to employees.

The most frequently mentioned replacement cycle for 1984 was 36 months/55,000 miles (six fleets). Two fleets used 36 months or 75,000 miles as their replacement cycle. Other time and mileage cycles mentioned were 24 months/55,000 miles; 26 months/70,000 miles; 60 months/65,000 miles; 36 months/50,000 miles; 48 months/62,000 miles; 48 months/70,000 miles; 40 months/68,000 miles; 36 months/70,000 miles; 36 months/60,000 miles. One fleet said its cycle ranged from 18 to 40 months and 50,000 to 70,000 miles. Two fleets base their replacement solely on time in service — 25 and 26 months, while one other fleet reported that it replaces its cars at 50,000 miles.

Six fleets in the Manufacturing-Industrial Group reported they are planning to change their replacement cycle in 1985. Five will shorten service life with these changes: from 36 months/75,000 miles to 30 months/65,000 miles; 48 months/70,000 miles to 48 months/60,000 miles; 40 months/68,000 miles to 37 months/55,000 miles maximum; 36 months/70,000 miles to 36 months/60,000 miles; 26 to 24 months. One fleet reported it will change from a 36-month cycle to a 24-month cycle in 1986. One fleet is planning to increase the service life of its cars — from 36 months/55,000 miles to 36 months/75,000 miles.

Six fleets in the group reported they do some reconditioning before marketing their used cars. As a rule, this work consists of clean-up, tires, and interiors. The remaining fleets market their used cars "as is."

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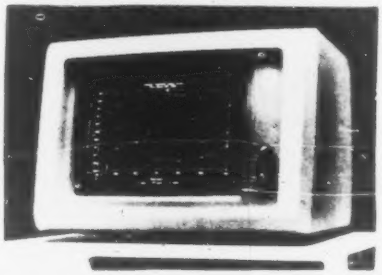

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Chemical & Petroleum Group

The Chemical and Petroleum Group consists of 18 fleets operating 6,877 passenger cars (3,625 company-owned, 3,252 leased). In 1984 these fleets sold 1,515 cars, 23 percent of their total stock at the start of the year.

Twelve percent of the cars sold in 1984 were 1980 or older models; 50 percent were 1981; 31 percent were 1982 models; 6 percent were 1983 models; and 1 percent were 1984 model year cars.

Among the fleets with predominantly leased cars, 43 percent of the used cars were sold to employees; 24 percent were sold to wholesalers; 18 percent were sold to used-car dealers; 10 percent were consigned to auctions; and 5 percent were sold or traded to new-car dealers.

In company-owned fleets, 11 percent of the used-cars were sold to employees; 40 percent were sold to wholesalers; 21 percent went to used-car dealers; 26 percent went to auctions; and 2 percent were traded to new-car dealers.

Fleets operating under a lease arrangement kept their cars in service an average of 30.3 months while driving them 60,555 miles. In company-owned fleets the average service life was 39.1 months and 71,666 miles.

The responsibility for marketing used cars in leased fleets was almost equally divided between lessors and fleet managers. In company-owned fleets the responsibility in all but two fleets rested with the fleet manager. In the other two it was shared with a management service and the company's field offices.

In six fleets AMR was the guide for setting the price of a used car being sold to an employee. NADA or *Yellow Book* was mentioned by two fleets, as was *Black Book*. In seven fleets the used-car price to employees is set by the fleet administrator; in at least four it is determined by the leasing company.

The most widely used replacement cycle in the Chemical & Petroleum Group is 36 months/60,000 miles (five fleets). Other replacement cycles being used (in one fleet each) include: 48 months/50,000 miles; 60 months/90,000 miles; 48 months/80,000 miles for full size cars, and 36 months/65,000 miles for mid-size cars; 36 months/100,000 miles; 36 months/65,000 miles to 70,000 miles; 75,000 to 80,000 miles; 100,000 miles; 60 months/70,000 miles; 36 months/35,000 miles; and 50,000 miles.

Three fleets in the group are planning to change their replacement policies during 1985. One fleet is moving from a five year/80,000 mile policy to 4 years/80,000 miles; another is switching from 48 months/80,000 miles to 36 months/60,000 miles. The third is shifting from 40 months/80,000 miles to 40 months/60,000 miles. Three fleets in the group recondition their cars.

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Public Utility Segment

The Public Utility Group consists of 15 fleets operating 20,126 passenger cars (19,801 company-owned, 325 leased). During 1984 these fleets sold 3,732 cars, 18.5 percent of their stock at the start of the year. Fifteen percent of the cars sold were 1980 or earlier models; 84 percent were 1981 models, and 1 percent were 1982 model year cars. Less than one-half of 1 percent of the cars sold were 1983 or 1984 model year cars.

Three percent of the cars sold in 1984 were bought by employees. Another 3 percent were sold to used car dealers; 1 percent were sold to wholesalers, while 93 percent were sold at auctions. In all Public Utility fleets the fleet manager is responsible for selling used cars. In one fleet some units are sold through a field office; in another a division office handles some used- car sales.

Average service life of public utility fleet cars is 67.6 months. They are driven an average of 74,866 miles before replacement.

Six fleets in the Public Utility group sell used cars to their employees. In three fleets it is by sealed bid; in the others the price is based on a combination of NADA and corporate average price.

Replacement policies among Public Utility fleets vary from one fleet that said it has "no policy" to another that said it was "condition plus cost to run another year." In between, there are these specific replacement policies: 60 months/100,000 miles (two fleets); 50 months/65,000 miles; 36 months/60,000 miles; 84 months/75,000 miles; 72 months/75,000 miles; 48 months/50,000 miles; 120 months/80,000 miles; 72 months/80,000 miles; 48 months/72,000 miles; 48 months/65,000 miles; and 108 months.

Three fleets are planning to change their replacement cycles in 1985. One fleet is switching from 72 months/75,000 miles to 24 months/30,000 miles. One is lengthening its service life from 84 months/75,000 miles to 96 months/80,000 miles in 1985, and then to 108 months/90,000 miles in 1986. One fleet reported its goal was to "get all vehicles down to six years or 100,000 miles."

Seven fleets in the group recondition their cars before putting them on the used-car market. Among the comments on reconditioning were: "not at our expense, auction does some if they believe they will more than recover the cost;" "any mechanical work required to keep vehicle safe, complete painting if required, and body work," "repaint from company color," "minor body touch up on good cars, no work done on rough or high mileage units." AF

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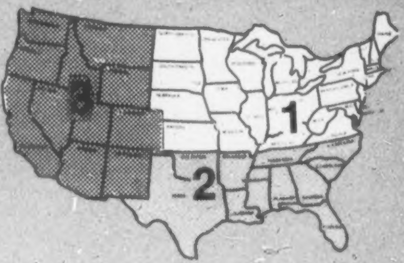
Used Cars



The following are average car prices for the period ending March 20, 1985. Prices are based on wholesale activity at major dealer auctions across the country. They are divided into three zones as indicated on the accompanying map. These averages are calculated electronically on IBM machines. They are based on clean cars only. Proper allowance should be made for upgrading sharp cars and proper deduction taken for fair cars. Automatic transmissions have been included in the averages of all models. This information is published in *Automotive Fleet* by special permission of Automotive Market Report.

	AVERAGE AUCTION PRICE		
Model	Zone 1	Zone 2	Zone3
83 AMC ALLIANCE			
Sdn	4025	4066	3985
83 AMC CONCORD			
Sdn	4261	4302	4220
Sta Wgn	4409	4545	4454
83 BUICK SKYLARK			
Sdn Custom	4806	4856	4759
82 BUICK SKYLARK			
Sdn	3954	3997	3916
83 BUICK REGAL			
Sdn	6206	6269	6143
Cpe	6379	6443	6317
82 BUICK REGAL			
Turbo Cpe	5583	5639	5527
Cpe	5408	5462	5354
83 BUICK CENTURY			
Sdn Custom	6092	6151	6030
82 BUICK CENTURY			
Sdn Custom	5101	5152	5051
83 CADILLAC			
Cpe DeVille	10853	10963	10746
Sdn DeVille	10790	10898	10681
82 CADILLAC			
Cpe DeVille	8880	8966	8789
Sdn DeVille	8823	8910	8736
83 CHEVY			
Chvt Htchbk 4-Dr	2998	3030	2971
Camaro Cpe 8	6811	6878	6742
82 CHEVY			
Chvt Htchbk 4-Dr	2387	2420	2373
Camaro Cpe 8	5844	5903	5786
83 CHEVY CELEBRITY			
Sdn	5666	5712	5596
82 CHEVY CELEBRITY			
Sdn	4687	4742	4640
83 CHEVY CAVALIER			
Sdn	4754	4802	4706
82 CHEVY CAVALIER			
Sdn	3487	3531	3462
83 CHEVY CITATION			
Cpe 6	3994	4035	3964
82 CHEVY CITATION			
Cpe 6	3041	3072	3010
83 CHEVY MALIBU			
Clas Sdn	5614	5669	5556
Clas Sta Wgn	5843	5901	5786
82 CHEVY MALIBU			
Clas Sdn	4582	4637	4545
Clas Sta Wag	4792	4836	4742
83 CHEVY MONTE CARLO			
Cpe	6247	6310	6186
82 CHEVY MONTE CARLO			
Cpe	5190	5242	5138
83 CHEVY IMPALA			
Sdn	6158	6219	6096
82 CHEVY IMPALA			
Sdn	4961	5010	4913
Wgn 9	5154	5205	5102
83 CHEVY CAPRICE			
Sdn	6723	6789	6655
Sta Wag	6955	7024	6884
83 CHRYSLER			
E-Class Sdn	5967	6025	5905
82 CHRYSLER			
New Yorker Sdn	7452	7527	7378
83 DODGE OMNI			
4 Dr Cust	3802	3839	3764
82 DODGE OMNI			
4 Dr Cust	2934	2964	2904
83 DODGE ARIES			
Cpe	4448	4493	4405
82 DODGE ARIES			
Sdn	3469	3505	3436
83 DODGE DIPLOMAT			
Sin Sdn	5126	5178	5077
82 DODGE DIPLOMAT			
Sin Sdn	4117	4158	4077
83 FORD FAIRMONT			
Futura 6-Cyl Sdn 4 Dr	4238	4279	4196
82 FORD FAIRMONT			
Futura Sdn 4-Dr	3357	3391	3324
83 FORD MUSTANG			
L-Cpe 4	4754	4801	4706
82 FORD MUSTANG			
L-Cpe 4	3824	3863	3785
83 FORD LTD			
Sdn	5340	5395	5286
82 FORD LTD			
Sdn	5183	5236	5130
83 FORD ESCORT			
Sdn 4 Dr	3706	3743	3669
83 FORD CROWN VIC			
Sdn	7698	7776	7620
82 FORD CROWN VIC			
Sdn	6062	6125	6002
83 FORD THUNDERBIRD			
Cpe	6590	6657	6526
82 FORD THUNDERBIRD			
Cpe	5217	5268	5166
83 LINCOLN CONTINENTAL			
Sdn	12789	12917	12661
Mark VI Cpe	12922	13050	12793
82 LINCOLN CONTINENTAL			
Sdn	8880	8960	8793
Mark VI Cpe	10795	10872	10660
83 MERCURY COUGAR			
Cpe	6708	6776	6643
82 MERCURY COUGAR			
GS Cpe	4017	4055	3974
Sdn	4017	4055	3974
83 MERCURY LYNX			
HtchBk 2-Dr	3850	3887	3815
83 MERCURY MARQUIS			
Sdn	5604	5460	5354
82 MERCURY MARQUIS			
Sdn	5471	5525	5414
Wgn-2S	5640	5696	5582
83 OLDS CIERA LS			
Cpe	6006	6065	5945
Sdn	6084	6144	6022
83 OLDS CUTLASS SUPREME			
Cpe	6466	6531	6401
Sdn	6286	6350	6224
82 OLDS CUTLASS SUPREME			
Sdn	5259	5313	5207
Cpe	5466	5522	5411
83 OLDS DELTA			
Sdn	6982	7050	6913
83 PLYMOUTH HORIZON			
4 Dr Htchbk	3698	3734	3660
83 PLYMOUTH RELIANT			
Cpe	4461	4505	4415
82 PLYMOUTH RELIANT			
Cpe	3459	3493	3424
82 PONTIAC FIREBIRD			
Cpe 8	5889	5947	5829
82 PONTIAC BONNEVILLE			
Sdn 6	5072	5122	5021
83 PONTIAC 6000			
Cpe	5860	5919	5802
Sdn	5941	5999	5879
83 VOLKSWAGEN RABBIT			
2 Dr Htchbk	4428	4472	4384
82 VOLKSWAGEN RABBIT			
2-Dr Htchbk	3427	3461	3393
83 DATSUN			
Sentra 2 Dr Std Sdn	3966	4005	3927
Stanza Hbk 4 Dr Dlx	5405	5464	5351
82 DATSUN			
210 Std 2 Dr	3153	3185	3121
Sentra 2 Dr	3454	3489	3419
Stanza Hbk 4 Dr Dlx	4386	4429	4342
83 TOYOTA			
Corolla Sedan 2 Dr	4748	4796	4700
Celica St	6792	6860	6724
Camry	7715	7792	7638
82 TOYOTA			
Corolla 2 Dr Sdn	3919	3958	3880
Celica St Cpe	5516	5571	5461
Corona Sdn Lux	5383	5436	5329

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automotive
FLEET
THE MANAGEMENT MAGAZINE FOR CAR
AND LIGHT TRUCK FLEET OPERATORS

$25
special edition

FACT BOOK

statistics
manufacturers
lessors
dealers
reference

1985 VOL. 24 SUPPLEMENT

automotive FLEET

THE MANAGEMENT MAGAZINE FOR CAR
AND LIGHT TRUCK FLEET OPERATORS

Influencing over 3.4 million cars and 1.6 million light trucks and vans in leasing, rental, business, government, taxi, police, utility, and driving schools.

statistics

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1. statistics

FLEET FIGURES BY TYPE AND SIZE AS OF 1/1/85

CARS

Type of Fleet	Leased	Company-Owned	Employee-Owned	Total
Businesses with 25 or More Cars	2,014,000	232,000	344,000	**2,590,000**
Businesses with 10 to 24 Cars	297,000	158,000	294,000	**749,000**
Other				
Government (Federal, state, county, and local.)	78,000	450,000	—	**528,000**
Utilities	25,000	515,000	—	**540,000**
Police	3,000	225,000	—	**228,000**
Taxi	18,000	122,000	—	**140,000**
Daily Rental	55,000	700,000	—	**755,000**
Fleet Total	**2,490,000**	**2,402,000**	**638,000**	**5,530,000**
Individually-Leased (Lessors, either independent or dealers, leasing 1 to 9 cars as retail or consumer leases.)	1,657,000	—	—	1,657,000
INDUSTRY TOTAL	**4,147,000**	**2,402,000**	**638,000**	**7,187,000**

TRUCKS — CLASS I, II, AND III

Type of Fleet	Leased	Owned	Total
Businesses with 25 or More Light Trucks (Includes leasing, construction, plumbing, heating, food distribution, pest control, cable TV, etc.)	621,000	257,000	**878,000**
Businesses with 10 to 24 **Light Trucks**	167,000	85,000	**252,000**
Utilities	40,000	502,000	**542,000**
Government (Federal, states, county, and local.)	41,000	207,000	**248,000**
Other (Police, taxi, daily rental, etc.)	5,000	45,000	**50,000**
TOTAL	**874,000**	**1,096,000**	**1,970,000**

FLEET REGISTRATIONS BY MONTH AND YEAR

Totals include all fleets of 10 or more units.

	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984 +
JAN	81,419	93,226	111,651	117,455	136,778	117,135	110,666	93,700	100,500	141,669
FEB	61,590	85,445	103,849	117,726	118,112	97,789	100,205	78,300	91,200	142,006
MAR	79,099	90,890	102,672	124,982	127,114	118,773	108,836	84,500	105,800	136,526
APR	74,925	105,378	116,813	125,334	127,626	113,690	102,059	96,900	93,800	142,199
MAY	87,239	114,060	122,224	128,161	129,908	105,421	113,894	104,800	100,800	139,114
JUN	93,607	115,903	134,231	143,766	126,107	104,894	124,838	117,700	137,200	156,445
JUL	76,901	91,462	96,991	126,709	112,889	83,827	94,546	95,700	101,400	131,377
AUG	49,392	60,270	78,737	98,608	82,593	65,761	70,411	66,800	84,300	100,845
SEP	50,009	50,458	65,181	72,024	37,708	58,540	80,102	65,900	88,600	123,995
OCT	101,963	91,153	102,549	117,804	96,414	82,87	82,802	81,400	111,100	133,247
NOV	85,519	106,077	133,812	148,787	104,463	128,626	111,798	110,900	136,700	153,865
DEC	113,600	160,458	175,642	183,453	160,894	160,800	117,100	138,600	150,000	136,481*
Total	**955,158**	**1,164,807**	**1,344,352**	**1,504,809**	**1,360,606**	**1,237,832**	**1,223,257**	**1,135,200**	**1,301 400**	**1,637,769**

NEW FLEET VEHICLES REGISTERED

CARS **On all accounts buying 10 or more new units each year.** **In Thousands**

	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
Renting/Leasing	707	833	962	1,117	1,030	887	895	841	1,014	1,377
Commercial	150	181	205	216	211	207	215	185	194	249
R/L + Commercial	856	1,014	1,167	1,333	1,241	1,094	1,110	1,026	1,209	1,626
Government*	93	90	98	99	89	83	73	71	66	102
TOTAL	950	1,104	1,265	1,432	1,330	1,117	1,183	1,097	1,275	1,728

TRUCKS **On all accounts buying 10 or more new units each year.** **In Thousands**

Renting/Leasing	115	148	204	242	226	181	150	150	160	294
Commercial	127	152	200	231	246	199	182	147	144	218
R/L + Commercial	242	300	404	473	472	380	332	297	304	512
Government*	76	65	73	80	86	88	70	67	66	77
TOTAL	318	365	477	553	558	468	402	364	371	589

*Excludes Federal Government

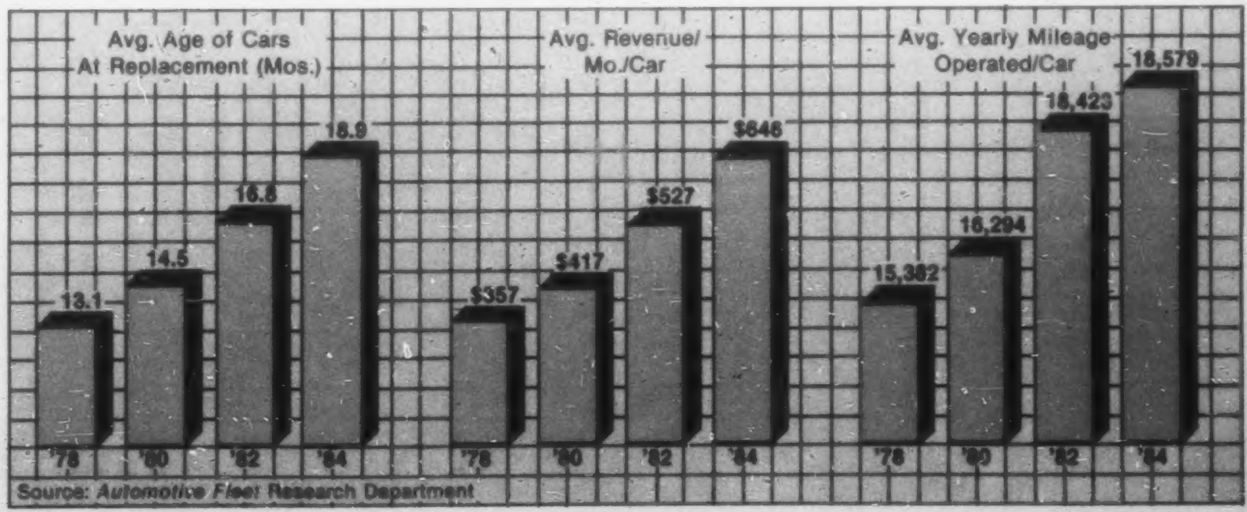
+ Estimated

U.S. DAILY-RENTAL MARKET PROFILE

Rank	Company	Number U.S. Cars	Percent On-Airport Market Share '83	Percent On-Airport Market Share '84	Estimated '84 Revenue
1.	Hertz	140,000	34%	33%	$900 million
2.	Avis	110,000	25	24	600 million
3.	National	100,000	19	20	550 million
4.	Budget	95,000	17	17	500 million
5.	Dollar	38,000	3	4	300 million
	Other On-Airport	32,000	2	2	100 million
	Total On-Airport	**515,000**	**100%**	**100%**	**2.95 billion**

Off-Airport Summary

FALS (Ford Dealers)	37,000		—
GM Dealers (not org.)	30,000		—
Enterprise	23,000		—
American International	20,000		—
Thrifty	20,000		—
Alamo	20,000		—
Agency Auto	18,000		—
Jiffy	18,000		—
DRAC (Chrysler Dealers)	18,000		—
Snappy	15,000		—
Ajax	15,000		—
Value	15,000		—
All Others	21,000		—
Total Off-Airport	**270,000**	**Total Off-Airport Revenue**	**$950 million**
TOTAL RENTAL MARKET	**785,000**		**$3.9 billion**



Source: *Automotive Fleet* Research Department

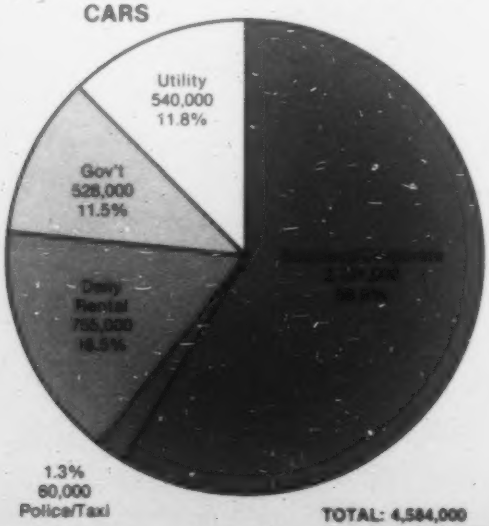
U.S. CARS IN FLEETS BY TYPE OF BUSINESS

TYPE OF FLEET	CARS (in Thousands)									
Business Fleets—25 or more	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984
Salesman Owned	364	357	353	350	348	345	341	340	340	344
Company Owned	204	198	195	208	215	222	226	228	224	232
Leased by Companies (By Types of Lease)										
Finance & Management	1,262	1,391	1,412	1,540	1,580	1,588	1,617	1,525	1,553	1,545
Partial/Full Management	268	262	258	187	184	234	230	319	315	313
Net/Fixed	136	125	133	123	121	146	139	136	134	156
TOTAL Fleet Leased	1,666	1,778	1,803	1,850	1,885	1,968	1,986	1,980	2,002	2,014
Business Fleets—10-24 cars										
Owned	501	496	488	475	470	458	452	450	448	452
Leased	174	211	228	241	256	266	282	288	293	297
Individually Leased	1,072	1,217	1,335	1,610	1,690	1,708	1,713	1,645	1,653	1,657
Other Fleets										
Government	628	635	642	648	645	651	649	500	500	528
Utilities	497	508	518	523	529	532	537	530	533	540
Police	278	286	292	294	291	288	284	223	221	228
Taxi	193	202	202	205	207	205	198	141	139	140
Daily Rental	354	373	385	448	462	500	462	457	466	755*
Driver School	25	26	26	24	21	20	19	18	18	—**
TOTAL	1,975	2,030	2,065	2,142	2,155	2,196	2,149	1,869	1,877	2,191
NOTE: Number of Cars in Fleets of 4 or More	10,398	10,403	10,414	10,423	10,428	10,433	10,436	10,076	10,400	10,475
TRUCKS IN RENTAL (in Thousands, all GVW's)										
Daily Rental	157	155	158	182	194	195	193	188	191	198

Source: *Automotive Fleet* Research Department
* Major adjustment with new data ** Combined with Business Fleets

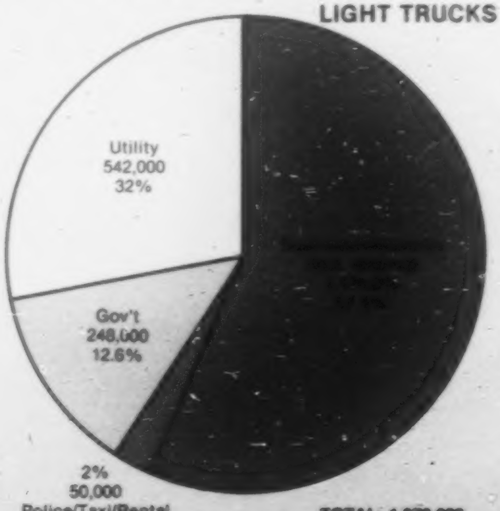
COMPOSITION OF THE *AUTOMOTIVE FLEET* FLEET/LEASING MARKET

CARS



TOTAL: 4,584,000
Avg. Annual Mileage — 27,500
Avg. Trade-in Time 30.2 mos.

LIGHT TRUCKS / VANS



TOTAL: 1,970,000
Avg. Annual Mileage — 18,500
Avg. Trade-in Time — 60.5 mos.

1984 Model-Year Registrations

Fleet vs. Retail

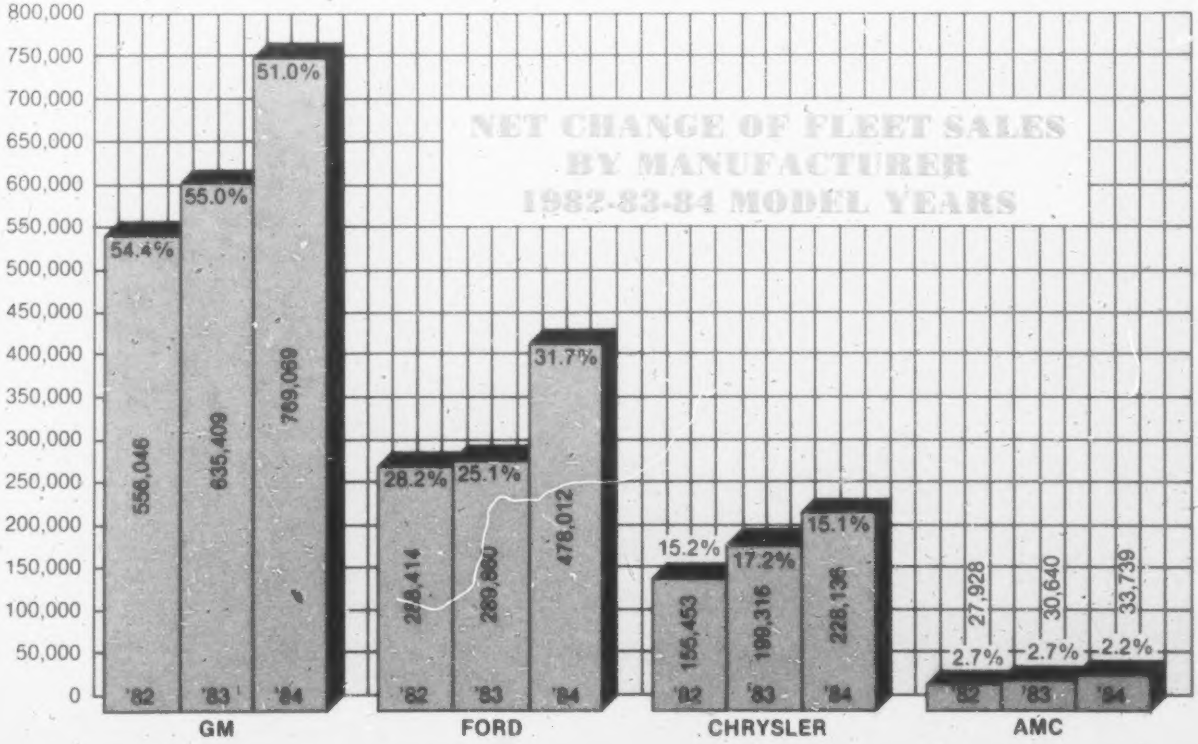
MODEL	Retail Totals	Fleet Totals	% Fleet vs Retail
SUBCOMPACT			
Encore	55,712	10,191	18%
Eagle Sedan	23,504	4,692	19
Alliance	105,272	18,856	17
Skyhawk/SW	103,433	8,299	08
Cavalier	312,243	44,895	14
Chevette	155,360	22,205	18
Omni	64,554	11,712	18
Escort	276,895	53,123	19
Mustang	95,287	26,661	28
Lynx	65,930	9,317	14
Capri	19,501	3,724	19
Firenza	50,637	6,467	13
Horizon	74,657	13,446	18
Turismo	45,146	3,244	07
T-1000	25,830	2,706	10
Rabbit	66,280	7,765	12
Total Subcompact	**1,540,441**	**247,303**	**16%**
COMPACT			
Skylark	81,035	18,768	23%
Citation	65,436	25,111	38
Aires	109,194	45,445	42
Tempo	171,175	78,137	46
Topaz	72,698	27,580	38
Omega	35,160	6,588	19
Reliant	139,194	61,838	44
Phoenix	12,144	3,455	28
Fairmont	1,380	445	32
Laser	50,444	4,672	09
Daytona	40,565	4,038	10
J-2000	105,734	13,583	13
Fiero	86,878	5,227	06
EXP	21,112	1,805	09
Total Compact	**992,149**	[illegible]	**30%**

MODEL	Retail Totals	Fleet Totals	% Fleet vs Retail
STANDARD			
LeSabre	140,016	18,302	12%
Impala/Caprice	202,990	55,182	27
Diplomat	21,207	11,679	55
LTD Crown Vic.	105,183	45,141	43
Gr. Marquis	128,601	14,826	12
Delta 88	223,787	31,409	14
Gran Fury	13,591	8,482	62
Parisienne	49,493	4,575	09
Total Standard	**884,868**	**187,586**	**21%**
INTERMEDIATE			
Regal/SW	160,438	42,960	27%
Century	157,122	42,146	27
Celebrity	208,140	91,202	44
LeBaron	94,173	17,011	18
"E" Class/NY	83,284	12,807	15
600	58,591	12,535	21
LTD/Granada	109,752	79,457	72
Marquis	94,743	18,745	20
Cutlass	258,071	74,159	29
Ciera	194,667	54,878	28
6000	86,758	33,786	39
Catalina/Bonneville	59,730	14,462	24
Monte Carlo	114,945	12,845	11
Thunderbird	113,487	37,941	33
Cougar	113,363	24,215	21
Gran Prix	69,693	9,185	13
Camaro	174,550	27,417	16
Firebird	93,019	10,028	11
Malibu	4,898	1,975	40
Total Intermediate	**2,249,424**	**617,754**	**27%**
LUXURY			
Corvette	24,200	3,858	16%
Electra LTD	71,982	11,847	16
Riviera	46,956	7,332	16
Seville/Cimarron	47,438	7,266	15
Fleetwood	160,195	27,195	17
Eldorado	60,644	10,480	17
Toronado	36,842	5,559	15
NY Fifth Ave.	76,256	8,043	11
Continental/Mark VII/Town Car	131,020	56,913	43
Total Luxury	**655,533**	**138,493**	**21%**
Total Domestic	**6,322,415**	**1,487,968**	**24%**
Total Import	**2,494,053**	**62,087**	**2.05%**
Total Industry	**8,816,468**	**1,550,055**	**17.8%**

FLEET REGISTRATIONS
1978-1984 MODEL YEARS

	1978	1979	1980	1981	1982	1983	1984
AMERICAN MOTORS	56,600* *4.0%*	53,668* *3.8%*	61,112* *5.4%*	42,022 *3.7%*	27,928 *2.7%*	30,640 *2.7%*	33,739 *2.2%*
BUICK	61,131 *4.3*	75,007 *5.3*	100,181 *8.8*	139,486 *12.2*	121,626 *11.9*	146,110 *12.6*	147,646 *9.8*
CADILLAC	46,427 *3.3*	49,175 *3.5*	30,691 *2.7*	23,626 *2.1*	25,301 *2.5*	30,496 *2.6*	45,408 *3.0*
CHEVROLET	349,762 *24.8*	377,469 *26.5*	285,758 *25.2*	262,572 *22.9*	214,275 *20.9*	222,404 *19.2*	284,690 *18.9*
CHRYSLER	43,500 *3.1*	61,253 *4.3*	28,631 *2.5*	20,730 *1.8*	17,415 *1.7*	26,102 *2.3*	42,545 *2.8*
DODGE	95,600 *6.8*	75,859 *5.3*	42,647 *3.7*	46,723 *4.1*	59,216 *6.0*	87,254 *7.6*	93,997 *6.2*
FORD	310,622 *22.0*	281,078 *19.7*	239,354 *21.1*	213,801 *18.7*	186,500 *18.3*	176,739 *15.3*	322,710 *21.4*
LINCOLN-MERCURY	137,952 *9.8*	138,805 *9.7*	76,871 *6.8*	97,626 *8.5*	101,914 *10.0*	113,121 *9.8*	155,302 *10.3*
OLDSMOBILE	110,352 *7.8*	129,824 *9.1*	140,478 *12.4*	165,738 *14.5*	135,478 *13.2*	168,727 *14.6*	194,320 *12.9*
PLYMOUTH	111,300 *7.9*	70,497 *5.0*	50,704 *4.5*	57,813 *5.0*	78,822 *7.1*	85,960 *7.4*	91,594 *6.1*
PONTIAC	86,923 *6.2*	111,172 *7.8*	78,842 *6.9*	74,333 *6.5*	58,366 *5.7*	67,672 *5.9*	97,005 *6.4*
DOMESTIC TOTAL *PERCENTAGE TOTAL*	1,410,177 *100%*	1,423,807 *100%*	1,135,269 *100%*	1,144,470 *100%*	1,021,841 *100%*	1,155,225 *100%*	1,508,956 *100%*

*Basic registration data is furnished by each manufacturer, and they may use differing bases. *Includes Jeep*


NET CHANGE OF FLEET SALES
BY MANUFACTURER
1982-83-84 MODEL YEARS

SIZE AND MODEL CARS PURCHASED BY MAJOR LEASING COMPANIES 1984 vs. 1983

SIZE AND MODEL
(In Percent)

Large
- Electra
- Riviera
- Coupe de Ville
- Sedan de Ville
- Cimarron
- Fleetwood
- Eldorado Cpe.
- Seville Sedan
- Imperial
- Fifth Ave.
- New Yorker
- Continental
- Mark VI
- Town Car
- Olds 98
- Toronado
- Parisienne
- Catalina
- Bonneville

Standard
- LeSabre
- Impala
- Caprice
- Diplomat
- LTD Crown Vic
- Grand Marquis
- Delta 88
- Gran Fury

Intermediate
- Regal
- Century
- Monte Carlo
- Celebrity
- Camaro
- Cordoba
- LeBaron
- Mirada
- 600/400
- LTD
- Thunderbird
- Cougar
- Marquis
- Cutlass Sup.
- Cutlass Ciera
- Firebird
- 6000
- Grand Prix

Compact
- Alliance
- Concord/Spirit
- Eagle/SX4
- Skylark
- Citation
- Aries
- Laser
- Daytona
- Fairmont
- Granada
- Mustang
- Topaz
- Zephyr
- Calais
- Reliant
- Phoenix

Subcompact
- Encore
- Skyhawk
- Cavalier
- Chevette
- Charger
- Omni
- Colt
- Sapporo
- Challenger
- Escort
- EXP
- Lynx
- Capri
- LN7
- Firenza
- Horizon
- Turismo
- Colt
- T1000
- J2000
- Fiero

Imports
- All Models

COMPANY	YEAR	LUXURY	STANDARD	INTER-MEDIATE	COMPACT	SUB-COMPACT	IMPORTS
AUTOMOTIVE RENTALS, INC.	1984	4.5	9.5	58.0	22.0	5.0	1.0
	1983	5.5	9.9	53.1	25.5	5.2	0.8
AVIS CAR LEASING	1984	3.8	16.5	63.0	7.8	6.9	2.0
	1983	4.1	18.5	50.3	17.5	7.8	1.8
COMMERCIAL CREDIT/McCULLAGH	1984	5.2	13.2	56.5	13.6	8.4	3.1
	1983	5.9	13.2	51.6	16.5	8.8	4.0
DART & KRAFT PORTFOLIO	1984	3.3	7.3	59.2	18.2	10.2	1.8
	1983	1.5	8.3	58.0	25.1	6.6	0.5
GELCO	1984	2.3	8.6	46.3	34.2	7.8	0.8
	1983	2.0	6.8	32.2	52.1	6.0	0.9
HERTZ CAR LEASING*	1984	—	—	—	—	—	—
	1983	3.0	8.0	40.0	37.5	3.5	9.0
LEASEWAY TRANSPORTATION	1984	2.0	11.0	55.0	29.0	20.0	1.0
	1983	3.0	10.0	52.0	33.0	2.0	—
LEND-LEASE	1984	- 22.5 -		12.0	- 65.5 -		—
	1983	6.0	13.0	49.0	22.0	5.0	5.0
PETERSON, HOWELL & HEATHER	1984	1.5	3.9	53.1	34.2	6.5	0.8
	1983	1.2	5.3	43.2	42.7	6.0	1.6
U.S. FLEET LEASING	1984	2.0	26.0	60.5	7.0	3.0	1.5
	1983	3.6	20.5	38.2	33.1	3.5	1.1
WHEELS	1984	1.0	11.2	66.0	17.8	3.4	0.6
	1983	0.4	9.9	60.3	25.5	3.6	0.8

* *Including rental.*

AALA FLEET COSTS SURVEY FOR CLOSED-END LEASES

Comparative Analysis of Average Per Unit Per Month Costs Years 1984 and 1983

			Increase (Decrease)		
OPERATING COSTS:	**1984**	**1983**	**Amount**	**Percentage**	**Percentage of Total**
Depreciation	$206.05	$173.40	$32.65	18.83%	85.1%
Repairs and maintenance	33.40	33.07	.33	1.00	.9
Insurance	16.57	13.15	3.42	26.01	8.9
License tags and taxes	8.90	7.93	.97	12.23	2.5
Interest	65.57	63.99	1.58	2.50	4.1
Delivery	1.09	1.96	(.87)	(44.39)	(2.3)
Total Operating Costs	**$331.58**	**$293.50**	**$38.08**	**12.97%**	**99.2%**
General and administrative	34.94	34.63	.31	1.00	.8
TOTAL COSTS	**$366.52**	**$328.13**	**$38.39**	**11.70%**	**100.0%**

	1984	1983	1982	1981	1980	1979	1978	1977
Total costs per month	366.52	$328.13	$320.32	$306.82	$276.29	$247.98	$228.31	$212.01
Avg. mos. in operation	29.9	30.2	28.1	27.3	27.4	26.6	26.3	26.1
Avg. annual mileage	34,923	29,770	34,646	31,894	34,591	28,952	30,609	28,568

Composition of the AALA Fleet

	Standard Models %	Intermediate Models %	Compact Models %	Air Conditioning %	Chevrolet %	Ford %	Lincoln/ Mercury %	Chrysler %	Pontiac %	Oldsmobile %	Buick %	Cadillac %	Others %	%/Chevy, Ford & Chrysler/Plym.
Averages—1984	19	57	24	96	26	13	3	6	5	13	18	1	15	45
Averages—1983	23	53	24	96	31	12	*	6	7	20	10	2	12	49
Averages—1982	23	51	26	94	32	11	*	5	8	18	12	3	11	49
Averages—1981	23	51	26	96	32	15	*	2	5	18	13	3	12	49
Averages—1980	32	48	20	96	40	15	*	1	6	14	9	2	13	56
Averages—1979	45	43	12	98	42	20	*	2	6	8	7	3	12	64
Averages—1978	48	44	8	93	44	16	*	3	4	9	4	6	14	63
Averages—1977	45	47	8	95	38	27	*	3	3	6	6	3	14	68

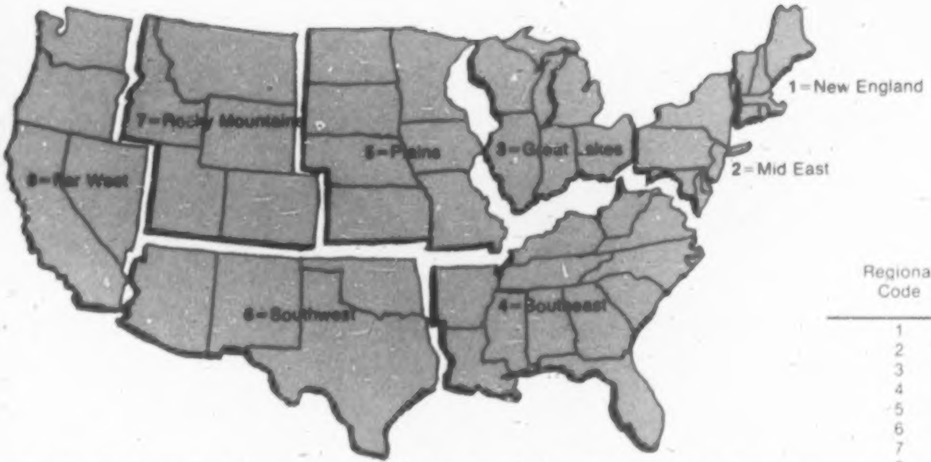
*Previously recorded in different category.

Used-Car Disposition

	RECONDITIONING		DISPOSITION					
	% of AALA Members Doing Recon.	Average Amount	New Car Dealer Sales	New Car Dealer Trades	Used Car Dealers	Auctions	Lessee Employees	Other/Retail
1984	—	—	9%	—	46%	16%	19%	10%
1983	73%	$287	6%	—	52%	10%	14%	18%
1982	66%	$224	8%	—	46%	16%	16%	14%
1981	80%	$241	6%	4%	46%	13%	16%	20%
1980	57%	$218	7%	1%	43%	20%	20%	9%
1979	60%	$185	5%	2%	51%	21%	12%	9%
1978	61%	$170	11%	1%	43%	19%	14%	12%
1977	65%	$147	10%	1%	48%	14%	18%	9%

Source: AALA Survey

FLEET-CAR OPERATING COSTS BY REGION



Regional Code	Running Expenses ¢/mile	Standing Expenses ¢/mile
1	7.83	306.09
2	8.31	283.70
3	7.66	284.30
4	7.87	273.92
5	7.77	292.06
6	8.45	271.81
7	8.55	261.54
8	8.44	292.73
USA	**7.98**	**287.86**

Notes: Running expenses are incurred when a car is being driven, and include gasoline, oil, tires, and maintenance. Standing expenses are incurred whether or not the car is used, and include such fixed costs as interest, insurance, and license fees. Data covers leased cars and company-owned cars, from December 1984 Fleet Composite information.
Source: Peterson Howell & Heather, Inc., Center for Analysis and Research, which maintains a computerized data base on fleet car costs for its clients.

NAFA PERSONAL-USE AND USED-CAR DATA

Reimbursement For Use Of Personal Car
Mileage Only
(No Assigned Fleet Car)
U.S. Commercial Fleets Only

Amount	1980	1981	1982	1983	1984
15¢ or less	3%	1%	2%	2%	1%
16, 17, 18, 19¢	43%	13%	15%	11%	10%
20¢	43%	68%	69%	72%	56%
20½¢	*	*	*	*	22%
21, 22, 23, 24¢	11%	17%	10%	12%	10%
25¢ or more	**	**	4%	3%	1%

Notes: *Not broken out in surveys for those years but included in "20 cents a mile" figure.
**Not broken out previously, but included in the "more than 20 cents a mile" percentage.

Reimbursement For Use Of Personal Car
Mileage Only
(Assigned Fleet Car Not in Service)
U.S. Commercial Fleets Only

Amount	1980	1981	1982	1983	1984
15¢ or less	4%	3%	5%	2%	1%
16, 17, 18, 19¢	43%	15%	13%	9%	8%
20¢	43%	66%	68%	73%	56%
20½¢	*	*	*	*	23%
21, 22, 23, 24¢	11%	17%	11%	14%	9%
25¢ or more	*	*	3%	3%	3%

Note: *Not broken out in surveys for those years but included in "more than 20 cents a mile" total.

Composite Commercial Fleet

Fleet Size	706 units
Cars Sold in 1984	226
Model Year Cars Sold	
1980 or earlier	7
1981	68
1982	95
1983	40
1984	16
Marketing Methods To Employees	72
Wholesalers	56
Used Car Dealers	20
Auctions	58
Trade-Ins	20

Summary of U.S. Commercial Fleets

Total Cars in Survey	
U.S. Commercial Fleets	101,030
Representative Leased Fleets	47,739
Sample of Owned Fleets	53,291
Average Months in Service	
All U.S. Commercial Fleets	30.2
Representative Leased Fleets	29.4
Sample of Owned Fleets	56.5
Average Miles When Sold	
All U.S. Commercial Fleets	57,732
Representative Leased Fleets	56,471
Sample of Owned Fleets	[illegible]

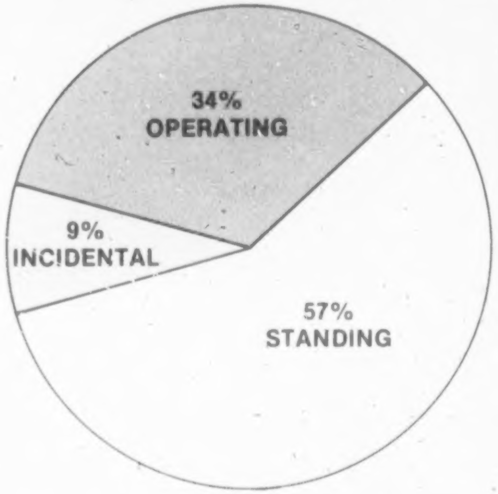
NAFA SURVEY OF OPERATING EXPENSES

Operating Expenses Comparisons Composite Fleets 1981-1983

	1981	1982	1983
Avg. Miles per Month	1,822	1,880	1,821
OPERATING EXPENSES			
(cents cost per car per mile)			
Fuel	.0745	.0643	.0579
Oil	.0012	.0011	.0016
Tires & Tire Repair	.0059	.0057	.0041
Repair & Maintenance	.0142	.0150	.0157
Total Operating Expenses	.0958	.0861	.0793
INCIDENTAL EXPENSES			
(dollar cost per car per month)			
License & Taxes	$ 6.23	$ 8.63	$ 9.95
Accident Repairs—Recoveries	8.65	7.39	8.85
Washing	5.04	6.14	4.12
Parking & Tolls	16.40	12.09	11.06
Miscellaneous	3.29	2.98	2.97
Total Incidental Expenses	$39.69	$37.23	$36.95
STANDING EXPENSES			
(dollar cost per car per month)			
Leasing Service Charge of Interest	$ 74.86	$ 76.38	$ 72.05
Depreciation Reserve	154.89	161.37	153.65
Depreciation Adjustment	−17.56	−23.06	−12.38
Selling Expenses	1.35	11.38	5.04
Insurance	21.27	23.94	20.96
Total Standing Expenses	$234.81	$250.01	$239.32
CREDITS			
(Dollar return per car per month)			
Personal Use Credit	$ 41.48	$ 42.28	$ 47.70
NET EXPENSES			
(Incidental expenses plus standing expenses less credits)	$230.87	$244.96	$228.77

Source: NAFA's annual Survey of Operating Expenses, April 1984.

Composite Fleet Breakdown of Expenses



Does not reflect personal use or equipment credits.

Operating Expense Comparisons 1981-1983

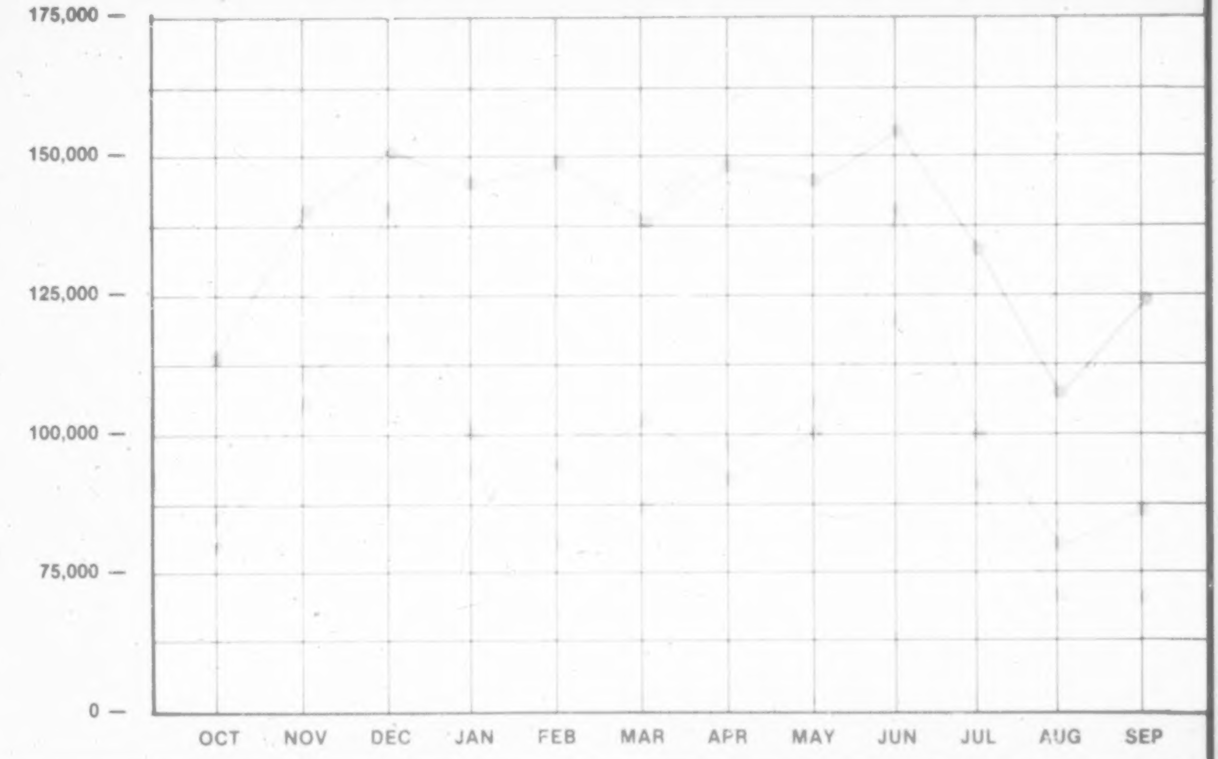
Mid-Size Cars

	1981	1982	1983
Avg. Miles per Month	1,799	2,027	2,236
Fuel	.0781	.0748	.0616
Oil	.0010	.0014	.0016
Tires & Tire Repair	.0064	.0053	.0064
Repair & Maintenance	.0118	.0105	.0169
Total Operating Expenses	.0973	.0920	.0865
Avg. price per gallon of fuel	$1.35	$1.36	$1.235
Avg. miles per gallon	17.3	18.2	20.05

Compact Cars

	1981	1982	1983
Avg. Miles per Month	1,794	2,339	2,153
Fuel	.0725	.0627	.0517
Oil	.0011	.0015	.0017
Tires & Tire Repair	.0052	.0040	.0035
Repair & Maintenance	.0123	.0112	.0126
Total Operating Expenses	.0911	.0794	.0695
Avg. price per gallon of fuel	$1.35	$1.36	$1.235
Avg. miles per gallon	18.6	21.8	24.1

Historic Fleet Registrations By Month & Model Year



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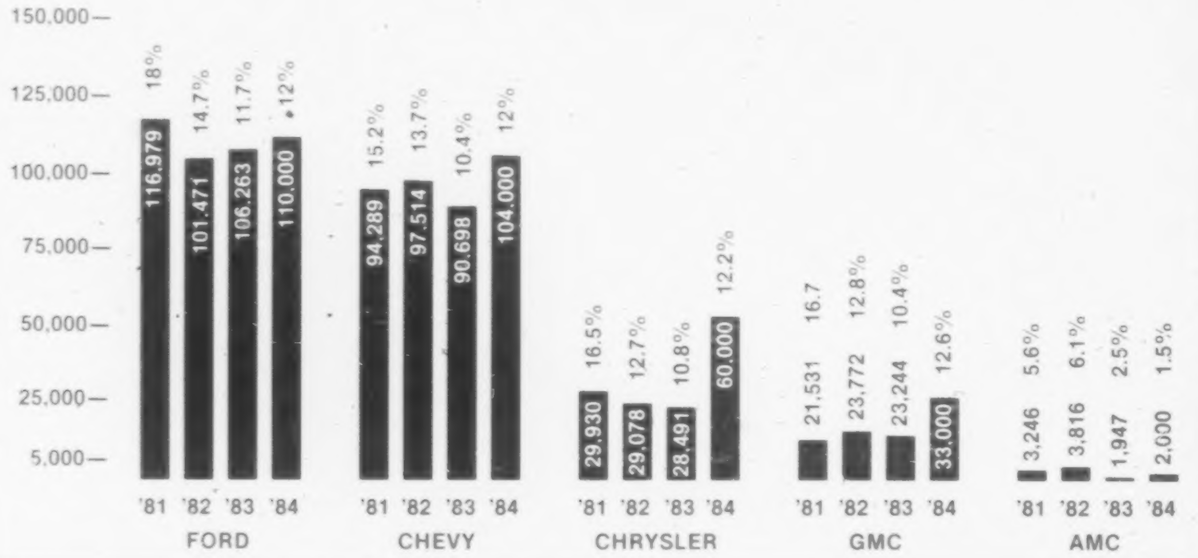
1981-1984 Light Truck *Fleet Sales* By Maker — Plus % of Retail

('84 Estimated — Extended from 7 Mo. Figures)



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U.S. Light Truck Statistics

New 1976 to 1984 Light Truck Registrations Reported — National and Fleet Totals — Class I & II

Source: Automotive Fleet Research Dept.

MAKE		1976	1977	1978	1979	1980	1981	1982	1983	1st 7 Mos. 1984
	Total	2,693,646	3,069,482	3,518,374	4,065,190	2,749,051	1,926,887	2,237,843	2,339,897	2,151,595
	Fleet	219,736	298,662	355,415	551,096	429,186	278,121	282,517	250,633	206,204
	% *Fleet*	*8.2*	*9.7*	*10.1*	*13.6*	*15.6*	*14.4*	*12.6*	*10.7*	*9.6*
CHEVY		1,011,377	1,078,692	1,233,932	1,832,454	1,114,847	619,997	726,358	669,913	608,561
		78,625	103,727	123,369	156,170	117,983	94,289	97,514	90,688	73,353
		7.77	*9.62*	*9.99*	*8.52*	*10.58*	*15.2*	*13.4*	*10.4*	*12.1*
FORD		870,231	1,036,213	1,219,693	1,185,000	795,000	648,804	689,941	905,846	640,541
		77,661	105,721	124,823	284,000	206,700	116,979	101,471	106,263	77,037
		8.92	*10.20*	*10.23*	*24.00*	*26.00*	*18.00*	*14.7*	*11.7*	*12.0*
GMC		223,805	234,992	283,540	236,750	141,744	128,615	186,257	223,998	153,784
		15,251	21,618	27,552	30,591	23,498	21,531	23,772	23,244	19,453
		6.81	*9.20*	*9.72*	*12.92*	*16.57*	*16.7*	*12.8*	*10.4*	*12.6*
DODGE & PLYMOUTH		333,201	385,125	396,268	400,945	347,138	181,308	228,232	263,687	288,028
		31,694	40,823	41,603	48,794	52,731	29,930	29,078	28,491	35,231
		9.51	*10.60*	*10.50*	*12.16*	*15.90*	*16.50*	*12.7*	*10.8*	*12.2*
AMC/JEEP		95,506	115,079	161,912	140,431	77,852	58,257	62,097	76,453	80,421
		11,461	17,262	21,979	20,875	11,498	3,246	3,816	1,947	1,130
		12.00	*15.00*	*13.57*	*14.86*	*14.76*	*5.60*	*6.1*	*2.5*	*1.4*
OTHER Incl. VW, etc.		NA	NA	210,274	258,017	294,529	317,250	344,958	437,797	380,260

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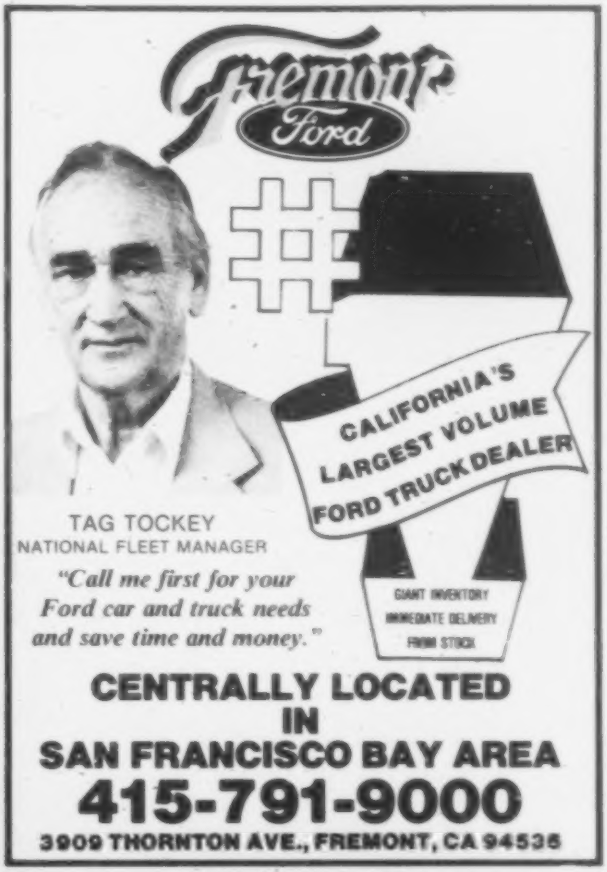
Import Light Truck Market Statistics

New 1976 to 1984 Light Truck Registrations Reported
Class I & II National and Fleet Totals
Source: Automotive Fleet Research Dept.

MAKE	1976	1977	1978	1979	1980	1981	1982	1983	1st 9 Mos. 1984
TOYOTA									
1. Total	49,823	83,600	94,882	130,648	131,648	130,379	143,439	170,000	194,641
2. Fleet	27	2,526	10,966	4,620	8,731	5,874	10,936	23,387	31,767
3. % Fleet	*01*	*3.02*	*11.55*	*3.53*	*6.60*	*4.50*	*7.6*	*13.8*	*16.3*
NISSAN/	71,902	102,071	87,645	104,866	113,242	119,684	106,440	132,088	147,753
DATSUN	2,257	3,797	5,123	6,046	8,045	6,184	13,430	12,073	13,081
	3.13	*3.71*	*5.84*	*5.76*	*7.10*	*5.50*	*12.6*	*9.1*	*8.9*
MAZDA	3,032	1,318	4,708	8,302	8,775	16,798	40,661	75,751	90,585
							2,192	5,747	5,343
							5.3	*7.5*	*5.8*
ISUZU						9,959	17,669	26,211	27,528
								2,175	6,359
								8.3	*23.1*
MITSUBISHI							931	9,222	15,000
									2,400
									16.0
IVECO							2,563	2,800	2,550



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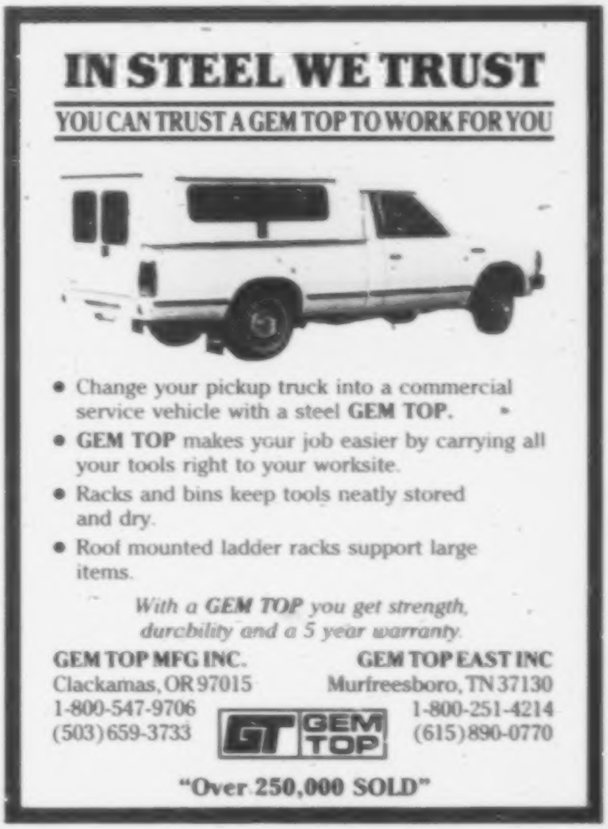

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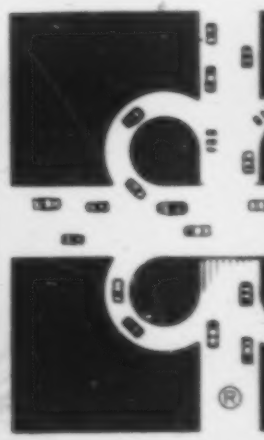
Top Twenty-Five Utility Light-Truck & Van Fleets

'84	'83			
1.	1.	Southwestern Bell St. Louis, MO	Elizabeth Towns	16,216
2.	2.	Southern Bell T & T Atlanta, GA	Richard McDonald	12,300
3.	3.	Pacific Bell San Francisco, CA	Roger Wesner	11,655
4.	4.	United Telephone System, Inc Shawnee Mission, KS	Hugh Pilkenton	7,380
5.	6.	General Tel. of CA Pomona, CA	Del Wingert	5,825
6.	5.	New York Telephone Brooklyn, NY	Lindsay Payne	5,551
7.	7.	New England T&T Boston, MA	Mel Batchelder	4,485
8.	8.	Continental Telephone Atlanta, GA	George Wymer	4,271
9.	12.	Mountain Bell Denver, CO	Jerry Vegwert	3,500
10.	9.	Bell Tel. and Diamond State Tel. Philadelphia, PA	Will Biggs	3,300
11.	20.	General Telephone of Southwest San Angelo, TX	Paul Melton	3,045
12.	13.	Pacific N.W. Bell Seattle, WA	Pete Labarge	2,930
13.	14.	American Electric Power Service Canton, OH	Dick Stage	2,555
14.	16.	Southern California Edison — Rosemead, CA	Dennis Stewart	2,130
15.	17.	Pacific Gas & Electric Davis, CA	J. Roman	1,900
16.	15.	Consumers Power Co. Jackson, MI	John Schafer	1,705
17.	19.	Southern New England Telephone Co. New Haven, CT	G. Welker	1,650
18.	20.	General Public Utility Parsippany, NJ	Vincent Murphy	1,217
19.	—	Columbia Gas Dist. Co. Columbus, OH	Timothy L. Weber	1,206
20.	—	Public Service Electric and Gas Co. Newark, NJ	A.T. Ela	1,199
21.	—	Public Service Company of Colorado Denver, CO	R. Fields	1,120
22.	21.	Bell Telephone of PA Pittsburgh, PA	Roger Metzger	1,100
23.	22.	Michigan Consolidated Gas Company Detroit, MI	E.G. Morrison	1,038
24.	23.	Florida Light and Power Miami, FL	George Lindemeyer	986
25.	24.	Public Services Indiana Plainfield, IN	M.L. Hesson	599
TOTAL				93,346



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Top Twenty-Five Business/Commercial Light Truck & Van Fleets

'84	'83			
1.	1.	Sears Roebuck Chicago, IL	William Jones, III	13,000
2.	2.	Frito-Lay Dallas, TX	Gorman Green Marvin Crow Charles Loveless	12,266
3.	4.	Federal Express Corp. Memphis, TN	George Bollor	6,649
4.	7.	ARA Services Philadelphia, PA	Ralph Jamie	5,000
5.	—	Union Pacific System Omaha, NE	Don Dyer	3,900
6.	8.	Purolator Services New Hyde Park, NY	Jack Neusch	3,500
7.	9.	Standard Oil Co. (IN) Chicago, IL	Richard Swanson	3,500
8.	5.	Goodyear Akron, OH	A.P. Spencer	3,288
9.	22.	Rollins Inc. Atlanta, GA	Porter Thompson	2,978
10.	11.	Burlington Northern Railroad St. Paul, MN	John Long	2,900
11.	13.	Shell Oil Co. Houston, TX	J.A. "Judy" Wieman	2,850
12.	14.	Exxon Co. U.S.A. Houston, TX	Jack Lamb	2,800
13.	15.	Phillips Petroleum Co. Bartlesville, OK	J.I. Grillot E.A. Taylor	2,620
14.	12.	General Electric- Major Appl. Bus. Group- Louisville, KY	Mary Sue Leach V.J. Miska	2,600
15.	—	Westinghouse Louisville, KY	Lou Dobak	2,515
16.	18.	Canteen Corp. Chicago, IL	Mark Klein	2,500
17.	19.	Dow Chemical USA Midland, MI	Ron Smith Tim Sheehan	2,500
18.	16.	Johnson Controls, Inc. Milwaukee, WI	Bob Borchert	2,500
19.	20.	Union Carbide Corp. New York, NY	Walt Dzitko	2,500
20.	21.	Xerox Corp. Rochester, NY	Ron Pink	2,500
21.	23.	Honeywell, Inc. Minneapolis, MN	Connie Wesley	2,325
22.	24.	U.S. Steel Pittsburgh, PA	W.T. "Bill" Herlihy	2,200
23.	—	I.C. Industries Chicago, IL	E. Pierce Walsh Mary Anicich	2,010
24.	25.	Brown & Root, Inc. Houston, TX	Roger Ivey	2,000
25.	10.	Tenneco, Inc. Houston, TX	J.R. Jack Gudelman	1,945

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Jeep/Renault: A Fleet For All Reasons p. 35

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A Leasing Insider Predicts a Problem-Filled Future p. 77

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On our cover: Ford fleet execs Bill Willis and Lou Polsinelli stand beside (and behind) their new Aerostar van. As the story on page 63 attests, Ford is hoping that "the last shall be the first."

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READER UPDATE

Calendar

MAY

6-9 — National Association of Fleet Administrators Automotive Systems and Maintenance Technologies course, Hyatt Cherry Hill, Cherry Hill, NJ.

9-11 — Congress of Automotive Repair and Service, first annual trade show and conference, Hyatt Regency Hotel, New Orleans, LA.

22-24 — Leasemark Lease Management Training Course, Marriott Main Line, Philadelphia, PA.

30-June 2 — Automotive Fleet and Leasing Association Convention Westin Copley Plaza, Boston, MA.

JUNE

2-4 — 1985 Truck Blue Book Used-Truck Seminar, Ramada Renaissance Hotel, Atlanta, GA.

2-5 — National Association of Fleet Administrators 28th Annual Conference, Sheraton-Boston, Boston, MA.

6-7 — Leasing: Techniques and Analysis I, course offered by the American Management Association, Chicago, IL; for information on courses in other cities call (518) 891-0065.

6-7 — Buzz Doering Automobile Leasing Seminar, O'Hare Marriott, Chicago, IL; for information on seminars in other cities call (414) 367-6700.

16-19 —Electric Utility Fleet Members Conference, Williamsburg, VA.

JULY

21-26 — Wharton Certified Fleet Manager Program, Course One, workshop developed by Wharton School of the University of Pennsylvania and the NAFA Foundation, Inc., Philadelphia, PA.

Gas Prices

UNLEADED

City	Cost Per Gallon Unleaded Full-Serve	Self-Serve
San Francisco, CA	149.9	117.8
Jacksonville, FL	133.9	110.6
La Salle, IL	147.4	120.4
Louisville, KY	145.2	116.9
Minneapolis, MN	153.9	119.2
Niagara Falls, NY	127.4	117.9
Dayton, OH	128.9	111.9
Tulsa, OK	122.4	107.2
Philadelphia, PA	132.4	110.2
Knoxville, TN	139.6	112.6
Beaumont, TX	135.4	106.4
Arlington, VA	152.9	115.2
Bennington, VT	132.4	114.9
Madison, WI	146.4	118.4
Cheyenne, WY	123.9	113.4

Survey conducted during the first five working days of April, 1985.
Supplied by Runzheimer International, Runzheimer Park, Rochester, WI.

A *Power Newsletter* Forecast

New Entries To Liven Up Compact Pickup Market

Compact Pickup Sales Forecast

	1984 (000)	1987 (000)
Chevrolet S-10/ GMC S-15	231	224
Ford Ranger	221	195
Jeep Comanche (Jeep pickup, Scrambler	6	52
Chrysler N-Truck	—	90
Toyota	245	260
Dodge Ram 50	51	35
Nissan	204	175
Mazda	119	148
Mitsubishi	15	14
Isuzu	39	35
Total	**1,131**	**1,228**

Source: *The Power Forecast*

The '84 compact pickup arena appeared rather ho-hum after the furious new-model activity of the past several years. Basically, two clearly defined subsegments — the "new generation," represented by the U.S.-built Chevrolet S-10/GMC S-15 and Ford Ranger and the Japanese Toyota truck, and the "old generation" Nissan, Mazda, Mitsubishi (and Dodge D-50), and Isuzu pickups — vied for sales. However, during the next 12 months, the situation is expected to change as the "new generation" forces growth with the addition of the 1985½ Mazda and '86 Jeep Comanche pickups. Early in '86, Chrysler is expected to introduce its mid-size N-truck and an '87 model. The "old generation" will remain with the Nissan (as the highest volume entry), Mitsubishi, and Isuzu pickups.

In '84, there were five high-volume competitors in this market; by '87, there will be seven or eight depending on the strategy chosen by Isuzu. The new entries will be stronger than ever, and, at least from a product standpoint, will give Ford and Chevrolet a run for their money in terms of sales volumes. *The Power Forecast* projects that the overall compact-pickup market will remain robust but that the days of dramatic annual sales increases are over.

What will keep volumes at these robust levels? Some of the demand will be producer-driven as new, better products are introduced. Substantial volume will come from growing commercial use of compact pickups. As this segment has evolved, most manufacturers correctly assumed that the compact pickup would be used primarily for personal transportation. Due to its convenient size, low operating cost, and relatively low sales price, the compact pickup often was purchased instead of a lower priced automobile.

Over time, the compact became not only a low-cost, high-utility method of personal transportation, pulling volume away from low-priced cars, but also a vehicle which could be used for personal expression. Japanese makes — especially Toyota 4x4s — have been modified to the desires of the young people driving the vehicles. This anomaly could have led many to write off the compact as merely a toy — a mini-truck not worthy of serious consideration or commercial use.

However, recent research conducted by J.D. Power & Associates indicates commercial and business users are beginning to shift from full-size trucks to compact pickups. In many cases, the user does not require the larger size and higher capacity of the conventional pickups; the smaller size, adequate capacity, and lower maintenance cost of the compact pickups are attractive to this growing number of buyers.

Those are the positives surrounding the compact-pickup market — better, more contemporary products and greater acceptance for commercial applications. But there are some dynamics which do constrain the overall volume potential of the segment. First, the extremely popular derivative of the compact pickup — the sport/utility 4x4 — has certainly taken volume away from the pickup. In the past, a buyer may have been able to get most of the utility from installing a "camper shell" on his pickup bed. Now, he can get all the comforts of home in a package with more finesse. The second dynamic is the evolution of the minivan market, which is expected to grow rapidly over the next three years. The multiple functionality attributes of minivans will certainly draw a good number of potential compact pickup (and sport/utility 4x4) buyers away from those more traditional markets. The third dynamic is that increased small and low-priced car competition will likely moderate transaction prices in small-car classes in the next few years. It may become a battle between compact pickups and small cars as to which vehicle type can provide the lowest cost new transportation.

Still, a healthy market, overall, for compact pickups is projected. This "healthy" market, however, is becoming much more competitive in terms of product execution and

"Price competition likely will become an important way of life..."

volume expectation. Thus, price competition likely will become an important way of life for the competitors here. Mazda built an extremely respectable sales base using price, good value for the money, and aggressive advertising as merchandising tools. In essence, it bought share for an old product when excess capacity was freed up by the cancellation of the Ford Courier (a subtle derivation of the Mazda B-2000). This strategy has been extremely successful, and Mazda is now a major force in the market. When Mazda announces its new pickup this spring, it will be interesting to see how this strategy changes.

This leaves Nissan, Mitsubishi, and Isuzu to compete with "old generation" products largely on the basis of price and advertising. Nissan perhaps is the most exposed; since it has made a huge investment in its Smyrna, Tennessee, assembly plant for Nissan Motor Manufacturing Corp., Nissan is forced to go to almost any length to keep the facility at capacity. Nissan has stated that its objective is to keep Smyrna at capacity — 140,000-150,000 trucks annually — while allowing its Kyushu truck plant to provide volume flexibility. This leaves Nissan with a volume objective of about 175,000-200,000 trucks. With its relatively old product, Nissan will be forced to compete on the basis of price and aggressive merchandising and advertising until a new product is introduced.

Specific projections by manufacturer are: **1985 — Toyota:** Coming off a year when it has achieved the number-one position in compact-truck sales, Toyota introduces minor, but important, changes for '85. Toyota adds a 5,000-lb. trailer-towing package and a 2,500-lb. heavy-duty payload package as options. These moves make the Toyota pickup more than competitive with domestic and other Japanese manufacturers' products. The next hurdle for Toyota to clear is providing much needed extra power for its engines. Toyota has expanded the application of the direct-port fuel-injection four-cylinder and a 135-horsepower turbocharged four-cylinder will likely be introduced as early as '85½. This turbo will not only be the only compact-truck (gasoline) turbocharged engine but also will provide the highest specific horsepower of any competing compact-truck powerplant.

Ford Ranger: Ford has improved its truck powertrains for '85 by adding direct-port fuel-injection to the 2.3-liter OHC I-4 on the Ranger. This is an important move in Ford gaining a substantial competitive advantage over the S-10/S-15. Also, a fully featured sport truck, the STX, was added to the Ranger lineup to provide strong facing competition to the Toyota SR-5 and Nissan Sport Truck.

1985½ — Mazda: Mazda announced its all-new compact pickup

COMPACT-TRUCK SEGMENT

MODEL YEAR MFR.	1985	1986	1987
Chevrolet S-10/ GMC S-15	Add 2.5L I4 Tech IV engine		Possible Facelift
Chrysler		All-new N-truck Mid-size 4x2 only 2.2L I4/3.9L V6	Add 4x4
Ford Ranger	Add 2.3L OHC EFI New STX Model	Add Extended Cab 2.9L V6 EFI	
Jeep		All-new Comanche 4x2/4x4 Long-bed 2.5-L I4/2.8L V6	Add Short bed
Dodge Ram 50 (Mitsubishi)			
Isuzu P'Up			
Mazda	All-new 4x2 Regular Cab 2.0L I4	Add 4x4 Extended Cab Possible 2.6L I4 (from Mitsubishi)	
Mitsubishi			Possible All-new 4x2 and 4x4 2.2L I4/3.0L V6 (?)
Nissan	New King Cab Sport Truck New Smooth-side Box	All-new 4x2/4x4 2.4L I4/3.0L V6	
Toyota	Add 5,000-lb. Towing Pkg. Add Turbo I4		Add V6 (?)

COMPACT PICKUP TRUCK SPECIFICATIONS

COMPACT PICKUP TRUCKS	1985 CHEVROLET S-10	1985 FORD RANGER	1985 TOYOTA PICKUP	1985 NISSAN PICKUP	1985½ MAZDA PICKUP	1986 JEEP COMANCHE	1986½ CHRYSLER N-TRUCK
DIMENSIONS							
● Overall Length (SWB/LWB)	178/194	176/188	175/184	173/187	183/196	194	186/204
● Wheelbase (SWB/LWB)	108/118	108/114	103/112	101/111	108/118	120	112/124
● Overall Width	65	67	67	63	66	66	68
● Overall Height (4x2)	60	64	61	62	62	65	63
● Width Between Rear Wheelhouses	40	40	41	40	43	44	45
● Box Length	73/89	72/84	75/86	72/86	TBD	89	78/97
POWERTRAIN							
● Base/High Volume	2.5L I4	2.3L I4 EFI	2.4L I4	2.4L I4	2.0L I4	2.5L I4	2.2L I4
● Maximum	2.8L V6	2.8L V6	2.4L I4 EFI	—	2.6L I4*	2.8L V6	3.9L V6
BODY STYLES/TYPES							
● 4x2	X	X	X	X	X	X	X
● 4x4	X	X	X	X	1986½	X	1987½
● Regular Cab	X	X	X	X	X	X	X
● Extended Cab	X	1986	X	X	1986½	NA	NA
● Long Wheelbase	X	X	X	X	X	X	X
● Short Wheelbase	X	X	X	X	X	1987	X
● Double Wall Bed	X	X	Opt.	X	X	X	X
● 4x4 Front Suspension	IND	Twin-I-Beam	Monobeam	IND	IND (T)	QUADRALINK	IND (T)

(T) Tentative

* 1986½–1987

Source: The Power Newsletter

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in mid-Fedruary. This vehicle is a much needed change which will allow Mazda more flexibility in its pricing and merchandising strategies. Initially, it is expected that Mazda will introduce a Regular Cab 4x2 only with a model lineup similar to the present B-2000. This will enable Mazda to implement a pricing strategy similar to its present strategy if it chooses. However, the strategy likely will see premium pricing of higher series models, leaving the price leader as very low-volume model (presently, the low-price Mazda represents substantial volume). The styling of the new truck is expected to be relatively aerodynamic for a truck product, similar in theme to newer entries like the 626. Within the first year after introduction of its Regular Cab 4x2, it is expected that Mazda may introduce 4x4 and Extended Cab models to its truck line.

If Mazda has been able to generate such substantial volumes with an incomplete lineup, it should be able to really push Toyota and Nissan when it has a full lineup. The only negative which may impact the Mazda is its relatively small 2.0-liter, four-cylinder, base engine. There is some word around the industry that Mazda will pick up the Mitsubishi 2.6-liter, four-cylinder as a more powerful engine for its truck. It could be inferred that Mazda will acquire Mitsubishi capacity as Chrylser phases out the Mitsubishi 2.6-liter.

1986 — Jeep Comanche: The Jeep Comanche is expected to be introduced in the fall of '85 as an '86 model. This pickup derivative of the extremely successful Cherokee and Wagoneer will be a welcome addition to the Jeep truck and sport/utility lineup. The Comanche will be built in Toledo along with the Cherokee and Wagoneer. It is thought that the initial Comanche volumes will be in the 45,000-55,000 unit-per-year range. The vehicle will be available in both 4x2 and 4x4 versions — a departure from the previous heavy emphasis on 4x4-only products from Jeep. Initially, the Comanche is expected to be available only in a long-wheelbase, long-bed version, with a short-bed version added a year later. Given the success of the Cherokee and Wagoneer, the Comanche should be very well received if its price is competitive with the S-10 and Ranger. AMC may be in the welcome dilemma of whether to flex more Comanches, Cherokees, or Wagoneers to fill the capacity of Toledo.

Ford Ranger: Ford is expected to add a Super Cab version to the Ranger truck line. This bodystyle is expected to prevent migration from the Ranger line to competitors such as the S-10 and the Nissan King Cab. Also, in '86, Ford likely will add an optional 135-horsepower, 2.9-liter V-6 with direct-port fuel injection and an innovative electrically controlled 4x4 transfer case which should provide an advantage on the current leader — the S-10 4x4.

1986½ — Chrysler N-truck: The N-truck is expected to be introduced during the first quarter of '86 as an '87 model. The N-truck is substantially larger than the compact pickups, but smaller than conventional pickups, and could be classified as a mid-size truck. One of the major objectives for the truck was to have the capacity to carry a 4x8-foot sheet of plywood flat on the cargo bed floor. It appears the N-truck will not meet that critical objective; the width between the rear wheelhouses is expected to about 45 inches rather than the 45-plus inches needed to allow a 4x8 sheet to lay flat. From a box-length standpoint, the N-truck is expected to have a 96-inch-plus box length for its long-bed version. This makes the N-truck the only "compact" with a cargo box fully eight feet long.

Initially, the N-truck is expected to be available as a regular Cab only. Both short- and long-wheelbase models will be available, and, within the first year, a 4x4 is expected. Interestingly, it does not appear that Chrysler is planning to introduce an extended-cab version of the N-truck. For the company that pioneered the Maxi Cab, this is somewhat of a surprise.

The primary engines for the N-truck are expected to be the 2.2-liter four-cylinder and the new Chrysler 3.9-liter V-6. Indications

"Nissan...an all-new product in early '86."

are that the V-6 will be tuned for heavier duty applications with a relatively moderate power output of around 120-130 horsepower.

Nissan: Nissan is expected to replace its aging compact truck with an all-new product in early '86. This product is critical to the long-term success of Nissan's venture into United States assembly. Until the new truck is launched, Nissan will be the only high-volume manufacturer with an "old generation" product. Since this old product will be tougher to move, Nissan must compete with lower prices and aggressive and expensive merchandising and advertising campaigns. Recently, Nissan has been pushing its truck with costly 8.8-percent financing programs.

Even though Nissan continues to improve its present truck — with a smooth-side box and new King Cab Sport Truck in '85 — it cannot become fully competitive until its new product is introduced in '86½. When the new Nissan is introduced, it is expected to be fully competitive with the best of the compact pickups. Expect Nissan to have all models available: Regular Cab, King Cab, Short Bed, Long Bed, 4x2 and 4x4. Additionally, Nissan is expected to offer the excellent 3.0-liter V-6 in the vehicle. The Nissan 3.0-liter V-6 likely will provide a competitive advantage for the truck line over other V-6 competition.

1987 and Later — In '87 or '88, a new Mitsubishi pickup is expected. It likely would be fully competitive with the other new-generation compact pickups and may logically have the new Nissan as its image target. Mitsubishi could be expected to add its new V-6 engine to the truck line once it has satisfied the volume requirements of Chrysler (for the T-115 Minivans) and its own higher-series passenger cars (like the Galant).

If all this aggressive powertrain implementation happens as expected within the Japanese competition, it is conceivable that Toyota would be at a competitive disadvantage to its high-volume competition — especially Nissan. A good question is what will Toyota do to protect its position as the number-one compact pickup and to provide more power output? Will it turbocharge the 4-cylinder (rumored for '85½ or '86), or will it add an all-new V-6 (rumored for '87)? In any event, for the Toyota pickup to remain as competitive and as successful as it is today, a higher output engine is required.

This report is reprinted with the permission of J.D. Power and Associates, which is based in Westlake Village, CA, and specializes in automotive market research. The report was published in the January 1985 issue of The Power Newsletter. *References to future competitive actions were based on generally available industry data, releases, or past competitive practices projected in future model years.* AF

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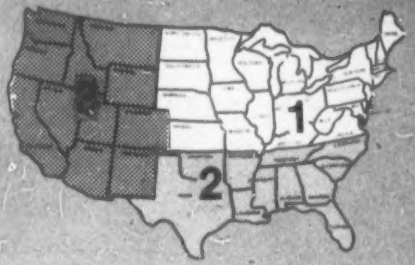

The following are average car prices for the period ending April 10, 1985. Prices are based on wholesale activity at major dealer auctions across the country. They are divided into three zones as indicated on the accompanying map. These averages are calculated electronically on IBM machines. They are based on clean cars only. Proper allowance should be made for upgrading sharp cars and proper deduction taken for fair cars. Automatic transmissions have been included in the averages of all models. This information is published in *Automotive Fleet* by special permission of Automotive Market Report.

Model	AVERAGE AUCTION PRICE Zone 1	Zone 2	Zone 3
83 AMC ALLIANCE			
Sdn	3894	3933	3855
83 AMC CONCORD			
Sdn	4147	4186	4107
Sta Wgn	4378	4424	4334
83 BUICK SKYLARK			
Sdn Custom	4724	4774	4678
82 BUICK SKYLARK			
Sdn	3876	3917	3836
83 BUICK REGAL			
Sdn	6120	6181	6056
Cpe	6288	6353	6229
82 BUICK REGAL			
Turbo Cpe	5544	5600	5488
Cpe	5370	5424	5316
83 BUICK CENTURY			
Sdn Custom	6007	6086	5946
82 BUICK CENTURY			
Sdn Custom	5066	5116	5016
83 CADILLAC			
Cpe DeVille	10583	10690	10480
Sdn DeVille	10522	10628	10416
82 CADILLAC			
Cpe DeVille	8703	8788	8614
Sdn DeVille	8646	8733	8563
83 CHEVY			
Chvt Htchbk 4-Dr	2936	2970	2912
Camaro Cpe 8	6723	6790	6655
82 CHEVY			
Chvt Htchbk 4-Dr	2337	2360	2314
Camaro Cpe 8	5798	5855	5739
83 CHEVY CELEBRITY			
Sdn	5861	5916	5803
82 CHEVY CELEBRITY			
Sdn	4851	4894	4803
83 CHEVY CAVALIER			
Sdn	4697	4746	4649
82 CHEVY CAVALIER			
Sdn	3779	3817	3743
83 CHEVY CITATION			
Cpe 6	3866	3906	3828
82 CHEVY CITATION			
Cpe 6	2966	2996	2935
83 CHEVY MALIBU			
Clas Sdn	5508	5562	5454
Clas Sta Wgn	5733	5789	5675
82 CHEVY MALIBU			
Clas Sdn	4560	4605	4513
Clas Sta Wag	4756	4804	4709
83 CHEVY MONTE CARLO			
Cpe	6216	6278	6154
82 CHEVY MONTE CARLO			
Cpe	5154	5206	5102
83 CHEVY IMPALA			
Sdn	6011	6072	5952
82 CHEVY IMPALA			
Sdn	4842	4891	4796
Wgn 9	5031	5082	4980
83 CHEVY CAPRICE			
Sdn	6630	6694	6563
Sta Wag	6858	6926	6788
83 CHRYSLER			
E-Class Sdn	5808	5863	5750
82 CHRYSLER			
New Yorker Sdn	7251	7324	7179
83 DODGE OMNI			
4 Dr Cust	3708	3744	3671
82 DODGE OMNI			
4 Dr Cust	2870	2899	2840
83 DODGE ARIES			
Cpe	4329	4373	4287
82 DODGE ARIES			
Sdn	3370	3404	3337
83 DODGE DIPLOMAT			
Sln Sdn	5016	5064	4966
82 DODGE DIPLOMAT			
Sln Sdn	4035	4076	3996
83 FORD FAIRMONT			
Futura 6-Cyl Sdn 4 Dr	4154	4196	4112
82 FORD FAIRMONT			
Futura Sdn 4-Dr	3300	3334	3267
83 FORD MUSTANG			
L-Cpe 4	4697	4744	4649
82 FORD MUSTANG			
L-Cpe 4	3759	3796	3721
83 FORD LTD			
Sdn	5150	5203	5097
82 FORD LTD			
Sdn	5028	5080	4977
83 FORD ESCORT			
Htchbk 4 Dr	3626	3662	3589
83 FORD CROWN VIC			
Sdn	7569	7646	7491
82 FORD CROWN VIC			
Sdn	5954	6015	5894
83 FORD THUNDERBIRD			
Cpe	6764	6831	6700
82 FORD THUNDERBIRD			
Cpe	5191	5242	5139
83 LINCOLN CONTINENTAL			
Sdn	12623	12749	12497
Mark VI Cpe	12754	12881	12627
82 LINCOLN CONTINENTAL			
Sdn	10443	10547	10338
Mark VI Cpe	10657	10764	10554
83 MERCURY COUGAR			
Cpe	6683	6748	6617
82 MERCURY COUGAR			
GS Cpe	3957	3995	3914
Sdn	3957	3995	3914
83 MERCURY LYNX			
HtchBk 2 Dr	3671	3707	3636
83 MERCURY MARQUIS			
Sdn	5213	5266	5163
82 MERCURY MARQUIS			
Sdn	5379	5432	5322
Wgn-2S	5546	5600	5487
83 OLDS CIERA LS			
Cpe	5922	5981	5862
Sdn	5999	6059	5939
83 OLDS CUTLASS SUPREME			
Cpe	6376	6440	6311
Sdn	6197	6262	6138
82 OLDS CUTLASS SUPREME			
Sdn	5222	5275	5171
Cpe	5428	5483	5373
83 OLDS DELTA			
Sdn	6822	6888	6756
83 PLYMOUTH HORIZON			
4 Dr Htchbk	3607	3641	3570
83 PLYMOUTH RELIANT			
Cpe	4342	4384	4297
82 PLYMOUTH RELIANT			
Cpe	3360	3393	3325
82 PONTIAC FIREBIRD			
Cpe 8	5842	5899	5783
82 PONTIAC BONNEVILLE			
Sdn 6	4996	5046	4946
83 PONTIAC 6000			
Cpe	5761	5819	5703
Sdn	5841	5899	5779
83 VOLKSWAGEN RABBIT			
2 Dr Htchbk	4428	4472	4384
82 VOLKSWAGEN RABBIT			
2-Dr Htchbk	3427	3461	3393
83 DATSUN			
Sentra 2 Dr Std Sdn	3866	3905	3827
Stanza Hbk 4 Dr Dlx	5405	5459	5351
82 DATSUN			
210 Std 2 Dr	3002	3032	2972
Sentra 2 Dr	3292	3325	3259
Stanza Hbk 4 Dr Dlx	4304	4347	4261
83 TOYOTA			
Corolla Sedan 2 Dr	4748	4796	4700
Celica St	5782	5840	5724
Camry	7596	7672	7520
82 TOYOTA			
Corolla 2 Dr Sdn	3919	3958	3880
Celica St Cpe	5516	5571	5461
Corona Sdn Lux	5383	5436	5329

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automotive FLEET

THE MANAGEMENT MAGAZINE FOR CAR AND LIGHT TRUCK FLEET OPERATORS

Top 100
Big '85 Buys
Award Winners
Banks in Leasing

JUNE 1985 VOL. 24, NO. 8

automotive FLEET®

THE MANAGEMENT MAGAZINE FOR CAR
AND LIGHT TRUCK FLEET OPERATORS

Influencing the management of 4,584,000 cars and 1,970,000 light trucks and vans in business, leasing, rental, utility, government, police, and taxi fleets.

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On our cover: AMC's CEO José Dedeurwaerder is confident that his company's new Jeep Comanche light pickup will win a devoted following in the fleet industry. It looks like another Jeep winner.

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READER UPDATE

Calendar

JUNE

2-5 — National Association of Fleet Administrators 28th Annual Conference, Sheraton Boston, Boston, MA

11-14 — National Vehicle Leasing Association course: The Foundations of Leasing, Dallas, TX.

13-14 —Leasing: Techniques and Analysis I, course offered by the American Management Association, New York, NY: for information on other cities, call (518) 891-0065.

16-19 — Electric Utility Fleet Members Conference, Williamsburg, VA.

27-28 — Buzz Doering Automobile Leasing Seminar, City Line Marriott, Philadelphia, PA. For information on seminars in other cities, call (414) 367-6700.

JULY

8-10 — Leasemark's Lease Management Training course, The Marriott Quorum, Dallas, TX. For information on seminars in other cities, call (215) 827-7758.

21-26 — Wharton Certified Fleet Manager Program, Course One, workshop developed by Wharton School of the University of Pennsylvania and the NAFA Foundation, Philadelphia, PA.

AUGUST

5-7 — Amembal & Isom Seminar Series on Leasing: The Creative Financial Alternative, New York, NY.

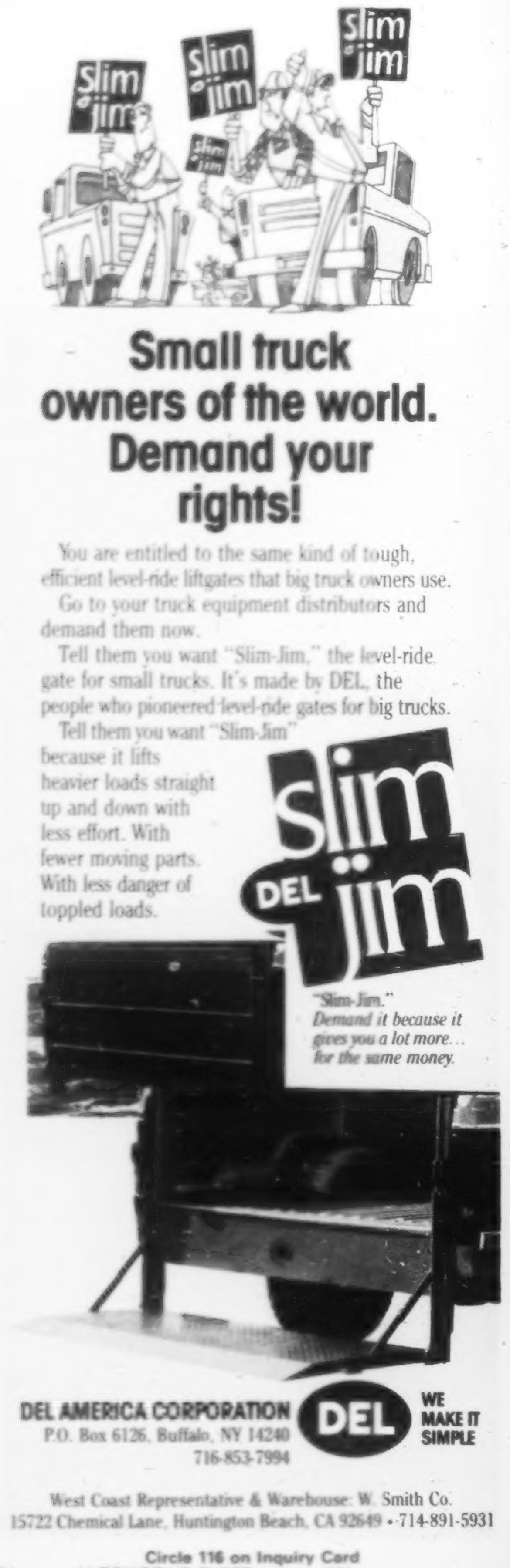
19-21 — Rocky Mountain Fleet Managers Association's Eighth Annual Fleet Seminar and Equipment Show, Denver, CO. Registration information: (303) 623-2500.

Gas Prices

UNLEADED

City	Cost Per Gallon Unleaded Full-Serve	Self-Serve
Birmingham, AL	146.4	120.9
Little Rock, AK	139.9	118.9
Globe, AZ	161.0	129.6
Santa Barbara, CA	158.4	133.4
Hartford, CT	136.9	125.9
Atlanta, GA	141.5	118.8
Burlington, IA	140.9	123.9
Fort Scott, KS	128.9	112.9
Monroe, LA	153.9	128.9
Buzzard's Bay, MA	118.4	106.9
Kalamazoo, MI	154.9	125.4
Reno, NV	159.4	133.9
New York, NY	126.7	115.4
Victoria, TX	152.9	113.4
Milwaukee, WI	144.3	123.9

Survey conducted during the first five working days of May, 1985.
Supplied by Runzheimer International, Runzheimer Park, Rochester, WI.



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How *AF*'s Sixth Annual Top 100 List Was Developed

Publishing our sixth annual Top 100 list permits [illegible] more accuracy than ever, since only a few companies remain timid about responding precisely to our survey. There is strong evidence that most companies are not only most cooperative but are proud of their [illegible] ranking and of how their own company might be improving position-wise.

Since our initial survey in 1979, the original guidelines have remained intact, namely that only business corporate fleets with centralized [illegible] control (or individual fleet segments of a fleet within that company) are given consideration. Our tracking from year to year indicates that the restriction accounts for the majority of changes, since shifts in the rankings naturally take place when a company merges, centralizes, or decentralizes. Company-controlled cars are our basic factor, along with the number of light trucks (but not lift trucks, trailers, heavy trucks, etc.). Some larger firms, such as IBM, are generally on an employee-owned and mileage reimbursement system, and these companies are not listed.

Our research department checked back by telephone to verify each of nearly 150 companies from known large fleets on *AF*'s circulation list. We then updated not only the vehicles under direct control but verified the fleet contact and whether the fleet was company owned or fully or partially leased.

Our researchers learned some [illegible] facts this year: St. Regis, number 20 in '84, merged with Champion Paper, number 60 in '84, [illegible] the new Champion Paper, [illegible] ARCO [illegible] Technology [illegible] Daniels Midland [illegible] Greyhound [illegible] Household [illegible] and American Hoechst [illegible].

[illegible]

AF's Sixth Annual

TOP 100

Automotive Fleet's Top Business and Corporate Fleets

Top 100

'85 Rank	'84 Rank	Company & Headquarters	Fleet Contact(s)	Co. Owned	Lessor(s)	# Cars	# Trucks & Vans	Total
1	1	Sears Roebuck & Co. Chicago, IL	William H. Jones, III	X	–	300	13,800	14,100
2	2	Frito-Lay, Inc. Dallas, TX	Gorman R. Green Charles Loveless	X	–	913	12,271	13,184
3	3	Xerox Rochester, NY	Ron Pink	–	LMV	8,500	3,000	11,500
4	15	Federal Express Corp. Memphis, TN	Jim Wheeler	X	HLR Corp. FELCO	14	11,441	11,455
5	4	Tupperware Orlando, FL	Bernie Janis Joe Fox Stan Harris	–	In-house Leasing	10,300	–	10,300
6	5	Digital Equipment Maynard, MA	Rick Catino	X	PH&H Gelco	9,242	1,014	10,256
7	6	Honeywell Minneapolis, MN	Connie Wesley	–	Gelco PH&H	6,242	2,356	8,598
8	7	Minnesota Mining & Manufacturing St. Paul, MN	Tim R. Hoffman H.P. Larson	X	–	6,764	1,102	7,866
9	10	Church of Jesus Christ of Latter Day Saints Salt Lake City, UT	Don J. Benson	X	–	6,965	560	7,525
10	8	ARA Services Philadelphia, PA	Ralph Jamic	X	Gelco	2,500	5,000	7,500
11	13	Westinghouse Pittsburgh, PA	Lou Dobak	–	In-house Leasing PH&H	4,375	2,920	7,295

'85 Rank	'84 Rank	Company & Headquarters	Fleet Contact(s)	Co. Owned	Lessor(s)	# Cars	#Trucks & Vans	Total
12	14	Borg Warner Leasing Schaumburg, IL	Phyllis Howard	X	In-house Leasing	5,400	1,800	7,200
13	11	Carrier Corp./ United Technologies Corp., Hartford, CT	Harold Tibbits	X	Dart & Kraft Gelco, PH&H Avis	6,000	1,200	7,200
14	12	State Farm Insurance Bloomington, IL	Tom Sours	X	—	6,846	175	7,021
15	9	Standard Oil of Ind. Chicago, IL	Richard Swanson	X	—	3,500	3,500	7,000
16	18	Union Carbide Corp. New York, NY	Walt Dzitko	X	Gelco Wheels	4,000	2,500	6,500
17	20	Exxon Co. USA Houston, TX	Jack Lamb John Dewees	X	—	3,000	2,800	5,800
18	19	Tenneco, Inc. Houston, TX	J.R. "Jack" Gudelman	X	Fleet Services	2,813	2,964	5,777
19	23	Shell Oil Co. Houston, TX	J.A. "Judy" Wieman	X	—	2,255	3,395	5,650
20	21	Union Pacific Systems Omaha, NE	John Dyer	X	Gelco	1,500	3,900	5,400
21	22	Goodyear Akron, OH	A.P. Spencer	X	—	1,870	3,250	5,120
22	40	W.R. Grace & Co. New York, NY	Edward Boheme	X	PH&H	2,300	2,800	5,100
23	16	Shaklee Corp. San Francisco, CA	Peter D. Wood	X	In-house Leasing	5,000	50	5,050
24	24	Motorola, Inc. Schaumburg, IL	Dick Kinzig	X	—	4,400	500	4,900
25	25	IC Industries Chicago, IL	E. Pierce Walsh Mary Anicich	X	Gelco	2,886	2,010	4,896

'85 Rank	'84 Rank	Company & Headquarters	Fleet Contact(s)	Co. Owned	Lessor(s)	# Cars	#Trucks & Vans	Total
26	28	Dresser Industries Pittsburgh, PA	John K. Hutchinson	—	In-house Leasing	3,485	1,360	4,845
27	27	Eastman Kodak Co. Rochester, NY	Scott Thomas	X	PH&H	4,700	25	4,725
28	26	Nabisco Brands, USA E. Hanover, NJ	Frank Boduch	X	—	3,025	1,600	4,625
29	30	Rollins, Inc. Atlanta, GA	Bob Holloman	X	B&M Equip. U.S. Flt. Lsg. Wheels	1,200	3,350	4,550
30	29	Aetna Life & Casualty Hartford, CT	Martin F. Crean	X	Gelco PH&H	4,107	323	4,430
31	37	Phillips Petroleum Co. Bartlesville, OK	James I. Grillot	X	—	1,239	2,965	4,204
32	33	U.S. Steel Pittsburgh, PA	W.T. "Bill" Herlihy	X	ARI, LMV U.S. Fleet Leasing	2,000	2,200	4,200
33	36	Purolator Service, Inc. New Hyde Park, NJ	Jack Neusch	X	—	500	3,600	4,100
34	31	Control Data Corp/ Commercial Credit Minneapolis, MN	Kathleen L. Wester	—	CC/McCullagh	3,600	400	4,000
35	35	Teledyne, Inc. Los Angeles, CA	Robert A. Forsey	X	—	2,800	1,200	4,000
36	34	Burlington Northern Railroad St. Paul, MN	John Long	X	ARI, Gecal BankAmeriLease	1,050	2,800	3,850
37	41	Ashland Oil, Inc Ashland, KY	Mary Lou Dougherty	X	PH&H Gelco	3,200	600	3,800
38	42	Procter & Gamble Co. Cincinnati, OH	Clarence O'Dell	X	—	3,600	—	3,600

'85 Rank	'84 Rank	Company & Headquarters	Fleet Contact(s)	Co. Owned	Lessor(s)	# Cars	#Trucks & Vans	Total
39	38	Johnson Controls, Inc. Milwaukee, WI	Bob Borchert	X	Gelco Southgate	1,370	2,218	3,588
40	43	Canteen Corp. Chicago, IL	Mark Klein	X	—	1,000	2,500	3,500
41	45	Travelers Indemnity Hartford, CT	Art Derderian	—	PH&H	3,370	—	3,370
42	46	Transamerica Corp. Los Angeles, CA	Bill Slothour	X	In-house Leasing	3,125	150	3,275
43	17	Dow Chemical USA Midland, MI	Ron Smith Tim Sheehan	—	CC/McCullagh Gelco	1,600	1,500	3,100
44	49	Marathon Oil Co. Houston, TX	Lois Smith	X	Wheels	1,021	2,062	3,083
45	50	PPG Industries Pittsburgh, PA	Vic Pelletier	X	Leaseway	2,025	1,025	3,050
46	47	Brown & Root, Inc. Houston, TX	Roger Ivey	X	—	1,000	2,000	3,000
47	69	Champion International Stamford, CT	Dave Chu Fred Matthews	X	PH&H	1,500	1,500	3,000
48	56	Seaboard System RR Jacksonville, FL	Margaret M. Powell	X	Dart & Kraft	763	2,150	2,913
49	44	Revlon, Inc. New York, NY	R. Breault S. Iannone	—	PH&H Gelco	2,850	25	2,875
50	57	Montgomery Ward Chicago, IL	Roseann Neveitt	—	Gelco Leaseway	300	2,500	2,800
51	51	General Foods Co. White Plains, NY	Chris Pollard	X	Wheels LMV Leasing	2,700	80	2,780
52	52	Continental Insurance Piscataway, NJ	William J. Benzie Victor Kaplij	X	—	2,700	50	2,750

'85 Rank	'84 Rank	Company & Headquarters	Fleet Contact(s)	Co. Owned	Lessor(s)	# Cars	#Trucks & Vans	Total
53	—	Arco Resources Technology Dallas, TX	Bob Leaumont	X	—	1,052	1,632	2,691
54	54	Diebold, Inc. Canton, OH	Dave Allton	—	PH&H Leaseway	1,076	1,614	2,684
55	55	Philip Morris U.S.A. New York, NY	Gregory J. Tarring	—	PH&H Gelco	2,400	245	2,645
56	39	General Electric-Major Appliances, Business Group Louisville, KY	Vic Miska	X	—	2,626	—	2,626
57	62	Hartford Insurance Hartford, CT	Ronald E. Weil	X	PH&H	2,520	80	2,600
58	59	Crawford & Co. Atlanta, GA	B.L. Garrett	—	Calesco, Inc. In-house Leasing	2,546	25	2,571
59	70	Gulf & Western Industries, Inc. New York, NY	John W. Simon	—	Associates Lsg.	2,214	344	2,558
60	48	NL Industries, Inc Houston, TX	Bernie Hodgeson	X	PH&H U.S. Fleet Lsg.	1,531	1,010	2,541
61	58	Cigna Corp. Philadelphia, PA	Timothy Hagarty	X	PH&H	2,350	175	2,525
62	60	Hoffman LaRoche Nutley, NJ	Dave Figurelli	—	PH&H Wheels	2,220	300	2,520
63	61	Merck & Co., Inc. Rahway, NJ	Alma Cristauro	—	PH&H	2,284	186	2,470
64	63	Avon Products, Inc. New York, NY	Maxine Sullivan	—	Gelco	2,400	69	2,469
65	65	Pfizer Inc. New York, NY	Gordon B. West	X	Gelco, Wheels PH&H	2,302	141	2,443

'85 Rank	'84 Rank	Company & Headquarters	Fleet Contact(s)	Co. Owned	Lessor(s)	# Cars	#Trucks & Vans	Total
66	66	Bank of America San Francisco, CA	Don Dennler	X	—	2,304	125	2,429
67	68	Chessie System Railroads Baltimore, MD	Robert C. Drury	X	ARI, Bank-AmeriLease, New England Merchants	867	1,495	2,362
68	67	FMC Corp. Chicago, IL	Lawrence Dakof	X	—	1,700	650	2,350
69	71	GAB Business Services New York, NY	G.J. Keenan	X	PH&H Dart & Kraft	2,320	2	2,322
70	72	Upjohn Company Kalamazoo, MI	Judy Rafferty	—	Wheels Leaseway	2,000	300	2,300
71	73	Kraft, Inc. Glenview, IL	Ed Jackstis	X	Dart & Kraft	2,250	40	2,290
72	78	Smith Kline Corp. Philadelphia, PA	John Mahony Bill Haney	—	Wheels	2,200	80	2,280
73	80	Farmers Insurance Group Pasadena, CA	Al Herzog	—	In-house Leasing	2,235	21	2,256
74	74	Eli Lilly Company Indianapolis, IN	Vic Hasler Sue Webster Roger Greer	X	Wheels, Inc.	1,970	270	2,240
75	75	Reliance Electric Cleveland, OH	Robert L. Burden Gary Hiles	X	Leaseway, Wheels American Lsg.	1,500	700	2,200
76	64	General Mills Minneapolis, MN	Henry Paetzel Dick Livermore	X	—	1,846	301	2,147
77	83	Hewlett Packard Western Region North Hollywood, CA	Craig Kundrotas	X	—	2,102	19	2,121
78	79	SCM Corp. Cleveland, OH	Nelson Hoffman	—	PH&H Wheels	1,875	235	2,110

'85 Rank	'84 Rank	Company & Headquarters	Fleet Contact(s)	Co. Owned	Lessor(s)	# Cars	#Trucks & Vans	Total
79	—	Greyhound Corp. Phoenix, AZ	Edward J. Bloomfield	X	PH&H	1,750	300	2,050
80	82	Liberty Mutual Insurance Co. Boston, MA	Barbara Feinberg	X	—	1,998	24	2,022
81	84	Household Finance Prospect Heights, IL	Mary Kowalski	—	Lend Lease	2,000	7	2007
82	77	Ingersoll Rand Piscataway, NJ	Debra Donske	—	Wheels	1,400	607	2,007
83	94	Keebler Co. Elmhurst, IL	Susan M. Stupak	—	Wheels Gelco	1,992	—	1,992
84	92	Abbott Labs North Chicago, IL	Mack Taylor	—	PH&H Wheels	1,825	150	1,975
85	76	Economics Laboratory St. Paul, MN	Tom Laumann	X	Gelco	1,813	147	1,960
86	87	USF&G Insurance Baltimore, MD	Charles H. Gittings	—	In-house Leasing	1,825	30	1,855
87	88	Bell & Howell Co. Lincolnwood, IL	Mike Winfield Bill Stanley	— —	CC/McCullagh Wheels ARI	1,840	11	1851
88	81	Eaton Corporation Cleveland, OH	Robert J. Wagner	--	Leaseway Dart & Kraft	1,566	264	1,830
89	95	McDonald's Corp. Oakbrook, IL	Jim Gorski Judy Baxter	—	PH&H	1,767	44	1,811
90	93	Brown & Williamson Tobacco Company Louisville, KY	Bob Whitfield	X	—	908	860	1,768
91	86	Wausau Insurance Co. Wausau, WI	Bob Rakow Jean Heisler	—	Fleet Services Gelco, USFL	1,750	16	1766
92	97	Sherwin Williams Co. Cleveland, OH	R.H. Carpenter	—	CC/McCullagh Donlen Leasing Lend Lease	900	800	1,700

'85 Rank	'84 Rank	Company & Headquarters	Fleet Contact(s)	Co. Owned	Lessor(s)	# Cars	#Trucks & Vans	Total
93	98	Lorillard Co. New York, NY	Sal Giacchi	—	Dart & Kraft Lend Lease	1,475	150	1,625
94	99	Hallmark Cards, Inc. Kansas City, MO	Helen Bland	X	—	1,475	75	1,550
95	—	Hobart Corporation Troy, OH	Dan Wray Mark Welty	—	Dart & Kraft	500	1,050	1,550
96	—	Petrolane LP Gas Long Beach, CA	Bill Johnson Ron Clark	X	Leaseway	210	1,310	1,520
97	96	Pepsi Cola Purchase, NY	John Thyne	X	—	500	998	1,498
98	100	American Greetings Cleveland, OH	Gene Lusnek	—	PH&H CC/McCullagh Leaseway	1,450	45	1,495
99	—	American Hoechst Corp. Somerville, NJ	J.A. Devine I.J. Bogusz	X	Wheels PH&H, Gelco	1,316	167	1,483
100	91	Cities Service Foundation Tulsa, OK	Frank Kovacs	X	Wheels	549	875	1,424

AUTOMOTIVE FLEET'S TOP 100

Alphabetical Cross Reference

Company	Rank
Abbott Laboratories	84
Aetna Life & Casualty	30
American Greetings	98
American Hoechst	99
ARA Services	10
Arco Resources Technology	52
Ashland Oil, Inc.	37
Avon Products, Inc.	64
Bank of America	66
Borg-Warner Leasing	12
Bell & Howell	87
Brown & Root, Inc.	46
Brown & Williamson	90
Burlington Northern Railroad	36
Canteen Corp.	40
Carrier Corp./ United Technologies	13
Champion Internat'l	47
Chessie Systems RR	67
Church of Jesus Christ of Latter Day Saints	9
CIGNA Corp.	61
Cities Services Fnd.	100
Control Data Corp./ Commercial Credit	34
Continental Insurance	52
Crawford & Co.	58
Diebold, Inc.	54
Digital Equipment	6
Dow Chemical USA	43
Dresser Industries	26
Eastman Kodak Co.	27
Eaton Corporation	88
Economics Laboratory	85
Eli Lilly & Co.	74
Exxon Co. USA	17
Farmers Insurance	73
Federal Express	4
FMC Corp.	68
Frito-Lay Corp.	2
GAB Business Services	69
General Electric-Maj. Appliance Grp.	56
General Foods Corp.	51
General Mills	76
Goodyear	21
W.R. Grace & Co.	22
Greyhound Corp.	79
Gulf & Western Ind.	59
Hallmark Cards, Inc.	94
Hartford Insurance	57
Hewlett Packard	77
Hobart Corporation	95
Hoffman LaRoche	62
Honeywell, Inc.	7
Household Finance	81
IC Industries	25
Ingersoll Rand	82
Johnson Controls, Inc.	39
Keebler Co.	83
Kraft, Inc.	71
Liberty Mutual Ins.	80
Lorillard Co.	93
Marathon Oil Co.	44
Merck & Co., Inc.	63
McDonald's Corp.	89
Minnesota Mining & Manufacturing Co.	8
Montgomery Ward	50
Motorola Inc.	24
Nabisco Brands, USA	28
NL Industries, Inc.	60
Pepsi Cola	97
Petrolane LP Gas	96
Philip Morris U.S.A.	55
Phillips Petroleum	31
Pfizer	65
Procter & Gamble	38
PPG Industries	45
Purolator Service, Inc.	33
Reliance Electric	75
Revlon, Inc.	49
Rollins, Inc.	29
Seaboard System RR	48
Sears Roebuck & Co.	1
SCM Corp.	78
Shaklee Corp.	23
Shell Oil Co.	19
Sherwin Williams Co.	92
Smith Kline Corp.	72
Standard Oil of Ind.	15
State Farm Insurance	14
Teledyne, Inc.	35
Tenneco, Inc.	18
Transamerica Corp.	42
Travelers Indemnity	41
Tupperware	5
Union Carbide Corp.	16
Union Pacific System	20
Upjohn Company	70
USF&G Insurance	86
U.S. Steel	32
Wausau Insurance	91
Westinghouse	11
Xerox Corp.	3

'84 Lease Volume Was up by 54 percent

An Assessment of Bank Involvement in Vehicle Leasing —

A Report from the Consumer Bank Leasing Conference and Bank Leasing Survey

Since up to 70 percent of a given bank's lessees are new customers, vehicle leasing will continue strong as banks "cross-sell" a full range of financial services. While the Accelerated Cost Recovery System (ACRS) will probably be altered, the Investment Tax Credit (ITC) may be eliminated altogether — at least in the short term. And the most popular method of financing consumer automobiles is likely to become a loan with the characteristics of a lease.

Those were just a few of the most common refrains heard at the Consumer Bankers Association's fifth annual Bank Consumer Leasing Conference, held May 5 to 7 at Marriott's Pavilion Hotel in downtown St. Louis. The only national gathering to consider the specific needs of financial-institution lessors, the conference attracted nearly 170 representatives of retail banks, mutual savings banks, credit unions, and savings and loan associations.

In speeches, a panel discussion, and a series of roundtable "rap sessions," attendants heard that intelligent planning is the key to the banks' success in vehicle leasing. And that the smartest institutions are entering the field *now*.

"Banks are still relatively small in leasing, but their involvement is increasing very, very rapidly," said Chuck Parker, a former vice president with Avis and National whose Leasemark Corp. provides banks, financial institutions, and auto dealerships with leasing advice. "Most of the major U.S. banks are either already in it, getting into it, or thinking that they should. Other banks are interested, but still skeptical.

"I say to them that this is too

"...he who has the best marketing capability will survive..."

much of an opportunity *not* to get involved — or, at the very least, that they should make the decision now on whether or not to enter the market," Parker continued.

"There's lots of competition, and competition is good. He who has the best marketing capability will survive and be successful."

Much of that success, of course, depends on a bank's appetite for ITC and ACRS — the crucial tax benefits of vehicle leasing. Garry Marquiss, auto lease administrator for BankOne of Columbus, OH, told a general session that banks' pre-tax lease earnings can sometimes approach 21 percent. That's considerably more than yields on installment loans, with nearly half attributable to a front-loaded ITC and quarterly depreciation allowances.

But with ITC and ACRS currently subject to government review, those earnings could drop overnight. "If conditions change, you could lose the benefits you had counted on," Marquiss cautioned his fellow bankers. "That's partly why the economic, regulatory, and tax and accounting risks of leasing outweigh the potential benefits."

At a workshop for experienced lessors, Christopher Formant of Baltimore's Maryland National Bank also addressed the volatile legislative environment. "It would be naive to assume that some form of ACRS will not remain," asserted Formant, a Maryland National vice president. "ITC may be doomed, and higher depreciation schedules might become the norm. If I remember correctly, however, ITC's have been repealed twice in the past, only to be reinstituted once capital formation fell. So we might see that pattern again, particularly if the economy goes into a slow cy-

Average Portfolio Size by Number of Leases

Leases in Portfolio	Banks in Group	Number of Leases		Portfolio Balances ($ Millions)		% Change	Number of Banks Offering: Direct Closed End	Direct Open End	Indirect Closed End	Indirect Open End
		1983	1984	1983	1984					
Less than 1,000	31	386	480	4.4	6.6	50.0	5	9	23	10
1,000 - 4,999	11	2,398	2,821	28.0	37.4	33.6	2	1	7	5
5,000 - 9,999	10	6,781	5,777	67.7	68.0	.4	1	1	10	8
10,000 and over	6	21,521	24,266	306.7	360.5	17.5	2	3	5	6

Average Portfolio Size and New Lease Volume by Geographic Region

Region*	Banks in Group	Number of Leases		Portfolio Balances ($ Millions)		New Lease Volume ($ Millions)		Number of Banks Offering: Direct Closed End	Direct Open End	Indirect Closed End	Indirect Open End
		1983	1984	1983	1984	1983	1984				
1	12	11,150	11,752	149.3	166.8	75.6	80.3	2	2	8	9
2	2	6,780	3,540	47.7	36.2	35.6	24.2	0	0	2	1
3	3	2,045	2,067	28.3	29.0	24.8	19.3	0	0	3	0
4	15	1,557	8,914	21.6	40.5	15.8	32.6	2	3	13	8
5	27	1,440	2,001	12.8	30.9	9.5	16.0	5	8	15	6

* Region 1: Alaska, California, Hawaii, Oregon, Washington. Region 2: Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming. Region 3: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota, Arkansas, Louisiana, Oklahoma, Texas. Region 4: Illinois, Indiana, Michigan, Ohio, Wisconsin, Alabama, Kentucky, Tennessee. Region 5: New York, New Jersey, Pennsylvania, Delaware, District of Columbia, Mississippi, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia, Connecticut, Maine, New Hampshire, Vermont, Massachusetts, Rhode Island.

Portfolios under 1,000 leases had the largest percentage increase in balances, up 50% over 1983. The over 10,000 lease range increased 17.5% in 1984, following an 18% increase in 1983. From 1982 to 1984 this range increased average dollar balances by $100 million going from $260 to $360 million dollars. Looking at geographic regions the heavy industrial states of the midwest (Region 4) had a high percentage of 87.5%, but was topped by the East Coast (Region 5) with 141.4%. Percentage gains are always easier from a lower base.

Source: *Survey of Bank Automobile Leasing, 1984 Activity*, by the Consumer Bankers Association

Top Thirty Banks In Automobile Leasing

	Bank	Location	Leases in Portfolio
1.	Security Pacific Credit Corp.	Woodland Hills, CA	41,496
2.	Key Bank	Albany, NY	32,000
3.	First Interstate Bank of California	Cerritos, CA	29,712
4.	Wells Fargo Bank	Oakland, CA	28,997
5.	BancAmerica Acceptance Corp.	Santa Clara, CA	17,540
6.	First Pennsylvania Bank—LeaseIt	Ft. Washington, PA	16,831
7.	Maryland National Bank	Baltimore, MD	15,000
8.	Manufacturers Hanover Trust	Hicksville, NY	15,000
9.	Marine Midland Bank	Buffalo, NY	9,000
10.	Fidelity (LeaseCar)	Wayne, PA	8,500
11.	Citizens and Southern National Bank	Atlanta, GA	7,300
12.	INST Credit Services Corp. subsidiary of Union Bank	Van Nuys, CA	7,158
13.	The Fifth Third Bank	Cincinnati, OH	6,293
14.	Bank of New England	Boston, MA	6,200
15.	Valley National Bank	Phoenix, AZ	6,150
16.	Manufacturers Bank of Detroit	Detroit, MI	5,994
17.	BankOne Columbus	Columbus, OH	5,700
18.	National City Bank	Cleveland, OH	5,600
19.	Seafirst	Seattle, WA	5,559
20.	Trust Company Bank	Atlanta, GA	5,190
21.	Huntington National Bank	Columbus, OH	5,100
22.	National Bank of Detroit	Troy, MI	5,025
23.	Bank of the West	San Jose, CA	4,372
24.	Indiana National Bank	Indianapolis, IN	4,172
25.	Dominion Bank	Roanoke, VA	4,011
26.	First National Bank of Atlanta	Atlanta, GA	3,204
27.	Boatmen's National Bank	St. Louis, MO	3,090
28.	InterFirst Bank Dallas	Dallas, TX	3,067
29.	Lloyds Bank of California	Monterey Park, CA	2,137
30.	Hibernia Bank	Concord, CA	2,129

Source: *Automotive Fleet* Research Dept., with the cooperation of the Consumer Bankers Association.

"...indirect could be a way to get into the market..."

cle or a recession."

In separate interviews with *Automotive Fleet*, tax benefits and a related issue — competition for the small-fleet dollar — were assessed by two important members of the CBA's leasing committee. Committee Chairman William Wilemon, senior vice president of Valley National Bank in Phoenix, said he doubted whether the loss of some tax advantages would make banks more hesitant to pursue small commercial-fleet accounts.

"I don't think we would approach the small fleet any differently in that case," Wilemon said carefully. "The only thing that would be different would be the pricing mechanism, the manner in which we price the product. I'd still see us aggressively servicing that market, only at a different price."

Does Wilemon believe more banks will enter the direct-leasing market? "I don't see that changing much," he replied. "But it depends on the composition of the bank. Some will find that it's too difficult to get into the indirect business, so they'll go direct. That could be a way to get in the market more easily. But I view the indirect market right now as very competitive, very difficult for a small bank to get into."

Committee member Dale Miller, vice president of Wells Fargo Bank of Oakland, CA, considers financial institutions in *some* competition for fleet business...but not much. "Leasing is a natural for us if we're going to take care of our commercial customers. A lot of them have fleets of five to 20 cars," Miller told *AF*. "But it's hard for the banks to compete — and I'm not sure we'd want to — with firms like U.S. Fleet Leasing and PHH when we can't buy the cars the way they do.

"If we lease a vehicle directly, we've got to buy it from the local dealer, so it's a different business altogether," Miller went on. "We're

Average Term of Lease ...by Portfolio Size

Total Portfolio Size (# Leases)	Direct Closed-End	Direct Open-End	Indirect Closed-End	Indirect Open-End	All Lease Types
Under 1,000 Leases	47 mo.	39 mo.	43 mo.	43 mo.	44 mo.
1,000 - 4,999	45 mo.	48 mo.	47 mo.	46 mo.	46 mo.
5,000 - 9,999	N/A	N/A	46 mo.	45 mo.	46 mo.
10,000 and over	48 mo.	N/A	49 mo.	46 mo.	48 mo.
ALL SIZES	46 mo.	40 mo.	45 mo,	45 mo.	44 mo.

The average lease term held steady in 1981 and 1982 at 42 months, decreased to 41 months in 1983 and then climbed to 44 months in 1984. Direct leases averaged 43 months and indirect leases averaged 45 months. At 46 months Direct Closed-End had the longest average term lease while Direct Open-End leasing had the shortest average of 40 months.

Did Bank Take Advantage of Tax Deduction Benefits Gained from Depreciation of Leasing Inventory by ...Portfolio Size

Total Portfolio Size (# Leases)	Yes, Always	Yes, Most of The Time	Yes, Some of The Time	Yes, Seldom	No, Never
Under 1,000	46%	4%	17%	—	33%
1,000 - 4,999	22%	—	33%	—	45%
5,000 - 9,999	56%	22%	—	—	22%
10,000 and over	75%	—	—	—	25%
ALL SIZES	46%	6%	15%	0%	33%

Two thirds of our members took advantage of tax deduction benefits accrued from depreciation in 1984, the same as in 1983 — at least part of the time. That was the same as 1983. However, members always taking these deductions increased from 37% in 1983 to 46% in 1984.

"...new business was enjoyed by 80 percent..."

basically financing cars through auto dealers or independent lease companies or lease brokers who may not want to carry the cars in their own portfolio. They broker it to us, and we become the lessor — we get the tax benefits — but it's their customer. So a lease is just another one of our financing instruments."

Interestingly, Miller predicts that leasing *per se* will become less popular with consumers as "look-alike" packages are made available. "More and more cars are being financed through 'leasing terms' these days — either through a lease itself or through a balloon-payment loan," Miller said. "The balloon has not generally been available up to now, but it's becoming more available. As it does, leasing will decrease and installment loans will also decrease."

Other sessions of the three-day conference dealt with the balloon financing mechanism, management of multi-state operations, tax aspects of auto leasing, and the termination and selling of inventories.

The St. Louis gathering also marked release of the CBA's third annual *Survey of Bank Automobile Leasing* — the only annual survey providing statistics on auto leasing trends in financial institutions. Compiled by Valley National's Robert Brinkmann, the '85 study includes responses from 219 CBA members, 59 of whom conducted auto leasing operations in '84. (An additional 46 members engaged in other leasing activities.)

Among the 59 car leasing members, 31 percent operated out of state as well as in their home state; 40 percent operated statewide; and 29 percent leased only within their local area. While 114 CBA members weren't involved in any type of leasing, 15 indicated their intention to implement an auto leasing program in '85.

An increased level of new business was enjoyed by 80 percent of the CBA respondents, with total auto lease volume up 54 percent from '83. Outstanding balances at the end of '84 were 28 percent greater than the previous year. Auto leasing portfolios averaged $60.3 million (a 26 percent increase in the average portfolio). Delinquencies decreased to 1.97 percent from 2.24 percent, and the decline ratio moved down to 43 percent from 49 percent in '83. Net losses as a percent of average outstandings also decreased during '84, ending the

Handling of Investment Tax Credit
...by Portfolio Size

Total Portfolio Size (# Leases)	Retain Entire Credit	On Request Will Pass On Portion of CR	On Request Will Pass Thru Entire Credit	Automatic Passes Thru Portion of Credit	Automatic Passes Thru Entire Credit	Other
Under 1,000 Leases	23%	—	42%	4%	19%	12%
1,000 - 4,999	25%	8%	50%	8%	—	9%
5,000 - 9,999	64%	—	27%	—	—	9%
10,000 and over	33%	17%	33%	—	—	17%
ALL SIZES	32%	4%	40%	4%	9%	11%

...by Region

Region						
1	23%	15%	62%	—	—	—
2	—	—	100%	—	—	—
3	67%	—	33%	—	—	—
4	50%	—	30%	—	20%	—
5	36%	—	37%	9%	14%	4%
ALL REGIONS	32%	4%	40%	4%	9%	11%

The entire Investment Tax Credit was retained by 32% of the respondents versus 21% in 1983. In 1982 the entire credit was retained by 31%. The credit was voluntarily passed through by 13% in 1984 versus 17% in 1983. From the information on hand no trends can be discerned.

"...Monteith of Security Pacific takes over as CBA chairman."

year at .47 percent versus .60 percent in '83.

"It was a very good leasing year" for the banks, Brinkmann summed up. And the ones ahead could be even better. In September, Robert Monteith of California-based Security Pacific Credit Corp. will take over as the CBA's new chairman. A dynamic former head of the association's leasing commitee, Monteith's the guy who originally convinced the banks that vehicle leasing is a growth industry. AF

Banks Offering Leases on Used Cars ...by Region

Region	Direct Closed-End		Direct Open-End		Indirect Closed-End		Indirect Open-End	
	Yes	No	Yes	No	Yes	No	Yes	No
1	1	4	0	5	1	7	1	7
2	0	0	0	0	1	1	1	1
3	0	2	0	2	0	3	0	2
4	0	2	1	2	5	6	5	5
5	3	5	4	7	8	9	6	5
ALL REGIONS	4	13	5	16	15	26	13	20

Used car leasing was conducted by 33% of those responding to this question. Of direct lessors 24% leased used cars, while 38% of indirect lessors leased used cars.

Average Capital Cost Per *New* Lease ...by Portfolio Size

Total Portfolio Size (# Leases)	Direct Closed-End	Direct Open-End	Indirect Closed-End	Indirect Open-End	All Lease Types
Under 1,000 leases	$13,630	$15,608	$13,112	$13,164	$13,547
1,000 — 4,999	12,031	13,154	14,251	13,923	13,502
5,000 — 9,999	16,000	N/A	14,326	14,349	14,555
10,000 and over	14,822	10,146	14,714	14,947	14,143
ALL SIZES	$13,696	$13,779	$13,808	$13,992	$13,830

...by Region

Region	Direct Closed-End	Direct Open-End	Indirect Closed-End	Indirect Open-End	All Lease Types
1	$13,206	$ 9,572	$14,243	$14,287	$13,632
2	N/A	N/A	13,093	13,122	13,103
3	14,000	12,000	14,392	12,000	13,596
4	14,890	11,953	15,136	13,994	14,595
5	13,630	13,528	12,540	14,267	13,196
ALL REGIONS	$13,696	$13,779	$13,808	$13,992	$13,830

After decreasing in 1983, the average capital cost of a new lease increased to $13,830.

1981	1982	1983	1984
$11,143	$13,634	$12,630	$13,830

With larger cars more in vogue this past year, a $1,200 increase (9.5%) seems very reasonable. At $13,830 the average capital cost in 1984 was only $196 greater than the 1982 cost per new lease.

Fleet Operating Costs Decline for Third Year

Fleet-operating expenses declined for the third consecutive year in '84, according to the annual operating expense survey conducted by the National Association of Fleet Administrators.

A total of 84 fleets, operating 79,669 passenger cars, submitted data for the annual survey.

Operating expenses declined approximately three tenths of a cent per mile in the "composite" fleet group (those fleets that do not break out expenses by the size of car) from .0793 cents per mile in '83 to .0763 cents per mile in '84. The '84 operating expense is a full penny per mile less than in '82.

Average fuel economy or miles per gallon for the fleets was computed using a price of $1.26 a gallon for fuel. This is an average for the year combining both full-service and self-service pump prices.

The average miles per gallon figure for compacts was 23.8; for mid-size cars, 20.5; and for large cars, 18.7 miles per gallon.

The results of the survey are based on NAFA's Recommended Clas-

Operating Expense Comparisons—1982 - 1984 Mid-Size Cars

	1982	1983	1984
Average Miles per Month	1,880	1,821	1,833
Operating Expenses (cents cost per car per mile)			
Fuel	.0643	.0579	.0560
Oil	.0011	.0016	.0012
Tires & Tire Repair	.0057	.0041	.0040
Repair & Maintenance	.0150	.0157	.0151
Total Operating Expense	**.0861**	**.0793**	**.0763**
Incidental Expenses (dollar cost per car per month)			
License & Taxes	$ 8.63	$ 9.95	$11.62
Accident Repairs—Recoveries	7.39	8.85	8.74
Washing	6.14	4.12	4.25
Parking & Tolls	12.09	11.06	7.46
Miscellaneous	2.98	2.97	3.25
Total Incidental Expenses	**$37.23**	**$36.95**	**$35.32**

	1982	1983	1984
Standing Expenses (dollar cost per car per month)			
Leasing Service Charge or Interest	$76.38	$72.05	$60.40
Depreciation Reserve	161.37	153.65	182.95
Depreciation Adjustment	-23.06	-12.38	-23.83
Selling Expenses	11.38	5.04	11.46
Insurance	23.94	20.96	19.03
Total Standing Expenses	$250.01	$239.32	$250.01
Credits (Dollar return per car per month)			
Personal Use Credit	$42.28	47.04	45.42
Net Expenses (Incidental expenses plus standing expenses less credits)	$244.96	$228.77	$239.91

"Total operating expenses... .0763 cents per mile."

sification of Automobile Expenses. Under this accounting system, fleet costs are divided into three major categories:

Operating Expenses: These costs consist of all expenses directly related to running a vehicle — fuel, oil, tires and tire repair, and normal maintenance and repair. These expenses are computed in pennies per mile per car.

Incidental Expenses: These costs include licenses and taxes, accident repairs less recoveries, washing, parking and tolls, and miscellaneous expenses. These costs are computed on a dollars per car per month basis.

Standing Expenses: The third category consists of investment costs, either interest paid on purchases or leasing company service charges, depreciation reserve, insurance, and selling costs. Deducted from these expenses are depreciation adjustments (if any) after a vehicle is sold. The standing expenses are also expressed in dollars per car per month.

To arrive at the Net Expense figure, personal use chargebacks and any optional equipment purchased by the company car operator are deducted from the combined Incidental and Standing Expenses.

The composite fleet consists of nearly 40,000 passenger cars. The fleets in this group do not break out expenses by size of car; they provide only totals for the entire fleet.

The cars in these fleets were kept in service an average of 31.5 months and driven 57,740 miles. Two percent of the cars in the composite fleet are subcompacts; 69 percent are compacts; 25 percent are mid-size; and 4 percent large.

Seventy-eight percent of the cars in the composite fleet have four-cylinder engines; 19 percent are equipped with six-cylinder engines; while 3 percent have eight-cylinders.

These are well-equipped cars. Ninety-eight percent are air conditioned; 97 percent have automatic transmission, 99 percent have power steering; and 100 percent are equipped with power brakes.

Based on a fuel cost of $1.26 per gallon, these cars used 81 gallons of gas a month to drive 1,833 miles, an average miles per gallon figure of 22.5.

Total operating expenses for the group amounted to .0763 cents per mile, about one-third of a cent per mile less than in '83 and a full cent per mile lower than in '82.

Incidental expenses amounted to $35.32 per car per month. Standing expenses were $250.01 per car per month. Net expenses (incidental expenses plus standing expenses minus a personal use credit or chargeback of $45.42) amounted to $239.91.

Translating all expenses into dollars per car per month, the total expense amounts to $379.76, or 20.7 cents a mile.

The compact car segment of the '84 operating expense survey reported operating expenses of .0708 cents per mile. These cars were driven an average of 1,747 miles per month. They were kept in service an average of 33.2 months.

Fuel expenses for compact cars

Operating Expense Comparisons—1982 - 1984

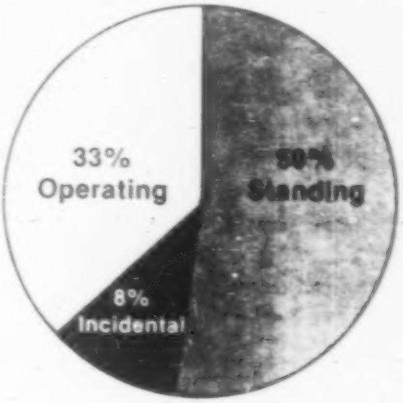
Mid-Size Cars

	1982	1983	1984
Average Miles per Month	2,027	2,236	2,032
Fuel	.0748	0616	.0614
Oil	0014	0016	.0018
Tires & Tire Repair	0053	0064	.0043
Repair & Maintenance	0105	0169	.0162
Total Operating Expenses	.0920	.0865	.0837
Average Price per Gallon of Fuel	$ 136	$1 235	$1 26
Average Miles per Gallon	18 2	20 05	20 05

Compact Cars

	1982	1983	1984
Average Miles per Month	2,339	2,153	1,747
Fuel	0627	0517	.0528
Oil	0015	0017	0014
Tires & Tire Repair	0040	.0035	.0045
Repair & Maintenance	0112	0126	0121
Total Operating Expenses	.0794	.0695	.0708
Average Miles per Gallon	21 8	24 1	23 8
Average Price per Gallon of Fuel	$1 36	$1 235	$1 26

Composite Fleet
Breakdown of Expenses



Does Not Reflect
Personal Use or
Equipment Credits

"Large cars. . .18.7 miles per gallon and .0935 cents per mile."

were .0528 cents per mile. Based on a fuel price of $1.26 per gallon, these cars averaged 23.8 miles per gallon.

Every car in the group has a four-cylinder engine, and all of them were equipped with air conditioning, automatic transmission, power steering, and power brakes.

The mid-size cars in the '84 survey had operating expenses of .0837 cents per mile, with fuel expenses of .0614 cents per mile. They cost one cent a mile more to operate than a compact car.

Thirty-seven percent of the cars in the mid-size are equipped with four-cylinder engines; 56 percent with six-cylinder engines; and 7 percent with eight-cylinder engines.

Every car in the mid-size group was equipped with air conditioning, automatic transmission, power steering, and power brakes.

Based on the standard gasoline prices of $1.26 per gallon, these cars averaged 20.5 miles per gallon, more than three miles per gallon less than the compact cars.

The large car segment of the '84 operating expense survey averaged 18.7 miles per gallon. These cars were driven an average of 2,085 miles per month and kept in service for 26.6 months.

Total operating expenses for this group of vehicles came to .0935 cents a mile, a penny per mile more than mid-size cars and two cents a mile more than compact cars.

Ninety-nine percent of the large cars have eight-cylinder engines, and all are equipped with air conditioning, power steering, power brakes, and automatic transmissions.

As in previous surveys, cars in Canada cost more to operate than in the United States. According to responses to the '84 survey, operating expenses for Canadian cars amounted to .1077 cents a mile.

The Canadian fleet segment is made up of 8 percent sub-compacts; 44 percent compacts; 39 percent mid-size cars; and 9 percent large cars.

Fifty percent of the Canadian cars have four-cylinder engines; 28 percent have six-cylinder engines; and 22 percent have eight-cylinder engines.

Sixteen percent of the Canadian cars are air conditioned; 99.9 percent have automatic transmissions; 98.7 percent have power steering and power brakes.

The Canadian cars are kept in service an average of 30.7 months and driven an average of 2,427 miles per month. Total service life for these cars averages 74,509 miles.

A breakdown of the Canadian fleet's operating expenses shows fuel expenses to be .0816 cents per mile; oil, .0012 per mile; tires, .0044 per mile; and repair and maintenance, .0205 per mile.

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Top Fleet Dealers Honored by *Automotive Fleet's* Ninth Annual Dealer Awards

At the end of 1984, there were 20,850 domestic-make dealers in the U.S., with 10,100 of those also carrying import makes. Moreover, there were about 3,900 exclusively-import dealers in addition to the 10,100 'domestic' dealers dualed with imports. That totals nearly 25,000 separate dealerships selling both domestic and import cars and light trucks.

Collectively, these dealers were responsible for the new sales of over 9 million cars, or about an average of 360 car sales per dealership for the year.

Automotive Fleet has long felt that those fleet-minded dealers generating record fleet sales deserve proper recognition. That feeling was manifested into *AF*'s annual Fleet Dealer Awards, instituted eight years ago with plaques presented to the top three winners from each of the 11 major fleet makes.

From the initial years of the awards, the auto manufacturers have been enthusiastic and supportive for their dealer winners and the total recognition process. They have cooperated with *Automotive Fleet* each year by checking internal records, running computer printouts, and relating the winners to the publisher.

In 1984, fleet registrations reached a record mark of 1,700,000. The top 33 dealers represented by the 13 makes recorded total fleet sales of *193,135 or an average of 5,852 cars sold per dealer for the year.* These figures should erase any doubt why the makers embrace the award program.

It has now become traditional for the Dealer Award plaques to be presented at the annual Awards Luncheon on the final day of the Automotive Fleet and Leasing Association's yearly spring meeting. At that time, all the dealer winners are congratulated by other fleet dealers, corporate and lessor buyers, and allied fleet people.

In truth, their aggressive selling has greatly contributed to the industry's vitality. As the industry continues to evolve, we continue to look to dealers for their contribution.

Dealer Awards for 1984

CHEVROLET	Bill Wink III	Wink Chevrolet	Dearborn, MI	19,541
	Jack Evans	Ed Morse Chevrolet	Lauderhill, FL	12,569
	John Tkac	Anthony Abraham Chevrolet	Miami, FL	11,054
BUICK	Sonny King	Orange Buick Co.	Orlando, FL	6,258
	Bob Brest	Bob Brest Buick	Lynn, MA	5,673
	Joan Boeckle	Stillman & Hoag Buick	Englewood, NJ	5,542
OLDSMOBILE	Bob Sullivan	King Motor Company	Ft. Lauderdale, FL	10,912
	Robert Kunes	Weil Oldsmobile	Libertyville, IL	8,549
	Thomas Mourning Thomas Scolan	Ray Oldsmobile	Chicago, IL	7,536

Automotive Fleet's Dealer Awards, *continued*

PONTIAC	Walt Kozak	Penn Pontiac	Baltimore, MD	9,505
	Bud Morrison	JM Pontiac	Hollywood, FL	6,209
	Donna Janazzo	Stephen Pontiac	Bristol, CT	2,817
CADILLAC	Phil Davis Evelyn DeMarco	Polkowitz Motors	Perth Amboy, NJ	4,661
	Beverly Toomey	Roger Penske Cadillac	Downey, CA	1,885
	Fran Frier Bob Alarcon	Potamkin Cadillac	New York, NY	1,807
FORD	Sam Marshall	Marshall Motor Co.	Mayfield Heights, OH	11,375
	Bill Bower, Sr.	Friendly Ford	No. Miami Beach, FL	7,759
	Joe David	Pacifico Ford	Philadelphia, PA	7,446
LINCOLN-MERCURY	Jeannie Kerner	O'Connor Lincoln-Mercury	Los Angeles, CA	3,737
	Jeff Hart	Pompano Lincoln-Mercury	Pompano Beach, FL	2,933
	Elbert Summers	Leland Lincoln-Mercury	Houston, TX	2,526
CHRYSLER/ PLYMOUTH	Jim Hoffer	Fireside Chrysler/Plymouth	Schaumburg, IL	2,332
	Jim Wallace	Galena Chrysler/Plymouth	Fort Meyers, FL	2,070
	Irv Schwartz	Barish Chrysler/Plymouth	Los Angeles, CA	2,043
DODGE	Jack Evans	Ed Morse Dodge	Ft. Lauderdale, FL	4,969
	Stan Smith	Del Amo Dodge	Torrance, CA	3,464
	Jerry Ulm	Winter Haven Chrysler/Plymouth/Dodge	Torrance, CA	3,464
AMERICAN MOTORS	Harvey Lipman	Lipman Motors	Hartford, CT	7,484
	Johnny Davis	Skinner AMC/Jeep/Renault	Birmingham, AL	1,121
	Stephen Katz	Kayson AMC/Jeep/Renault	Croton on Hudson, NY	1,121
NISSAN	Ron Baker	Fresno Datsun	Fresno, CA	216*
	Phillip Goodenough	Concord Datsun	Concord, CA	175*
	Debbie Schlernitzauer	Dick Smith Motors	Columbia, SC	150*
TOYOTA	Dominic Longo	Longo Toyota	El Monte, CA	4,446
	Byrum Bingham	Bingham Toyota	Clovis, CA	3,877
	Orval Paul	Norwalk Toyota	Norwalk, CA	3,139
VOLKSWAGEN	Paul Nerenberg	Gunther Volkswagen	Ft. Lauderdale, FL	590
	Bill Leudesdorf	Countryside Volkswagen	St. Paul, MN	534
	David Mollohan	University Volkswagen	Albuquerque, NM	500
			TOTAL	193,135

* *Truck Sales Only*

The Continued Rise of Lighter, Brighter Hues

Analysis of '84's Most Popular Car and Light-Truck Colors

It was first introduced as an exterior shade for large cars and compacts in '83. And never in the recent history of automotive colors has a single color vaulted so quickly to the top of its class. In '84, it garnered 18.4 percent of the full-size and intermediate category and 12.2 percent of the compact category. Any guesses?

Although those with a more punctilious palette might term it a rosy taupe, the automotive world knows it as "light red-brown."

In '83, light red-brown netted 19.3 percent of the full-size and intermediate category, according to figures published by the DuPont Co. And with '84, the color netted 18.4 percent of that large-vehicle segment. With compacts, the penetration is similarly impressive: in '83, light red-brown registered 12.3 percent of the compact-size vehicles. In '84, it registered 12.2 percent. Robert Daily, who manages DuPont's color market group, comments, "Seldom has a single color led both categories in the same year. Even more impressive is the fact that 1984 was only the second year for light red-brown as a compact color."

If we look at the colors in broadest terms, we notice that white, dark blue, and light blue remained prominent on both large and small cars in '84. In contrast, gray or silver showed the most variation in '84, moving from seventh to fifth position among the large cars, while falling from first to sixth among the smaller autos.

Also in broad terms, we see the continued rise of lighter, brighter hues — particularly red and beige. For the large cars, light red posted the greatest percentage gain, moving from 2.3 percent in '83 to 6.4 percent in '84. For the smaller cars, beige showed the greatest percentage gain, jumping from 2.8 percent to 6.8 percent over the last year. Daily analyzes this jump, saying: "This shift, combined with other indicators, may signal a change from the muted and subdued colors of the early eighties to richer and more lively colors in the future."

In the small-car grouping, black moved from 4.3 percent to 5.5 percent in the last year, while light gray-green fell from 5.0 percent to 3.6 percent. In the larger-car category, light gray-green slid less dramatically, from 6.8 percent to

1984 Passenger Cars

Full and Intermediate-size

Rank Color	1984%	1983%	+/−
1. Light red-brown	18.4	19.3	−0.9
2. White	12.6	12.5	+0.1
3. Dark blue	12.4	11.7	+0.7
4. Light blue	9.0	9.5	−0.5
5. Gray (silver)	7.8	7.8	—
6. Beige	7.4	5.6	+1.8
7. Light red	6.4	2.3	+4.1
8. Dark red	5.9	7.9	−2.0
9. Dark brown	5.8	7.9	−2.1
10. Light gray-green	5.6	6.8	−1.2

Compact-size

Rank Color	1984%	1983%	+/−
1. Light red-brown	12.2	12.3	−0.1
2. White	11.5	12.8	−1.3
3. Light blue	11.2	12.6	−1.4
4. Dark blue	9.8	11.1	−1.3
5. Red	9.7	10.2	−0.5
6. Gray (silver)	8.7	12.9	−4.2
7. Dark brown	7.1	5.2	+1.9
8. Beige	6.8	2.8	+4.0
9. Black	5.5	4.3	+1.2
10. Light gray-green	3.6	5.0	−1.4

1984 Trucks

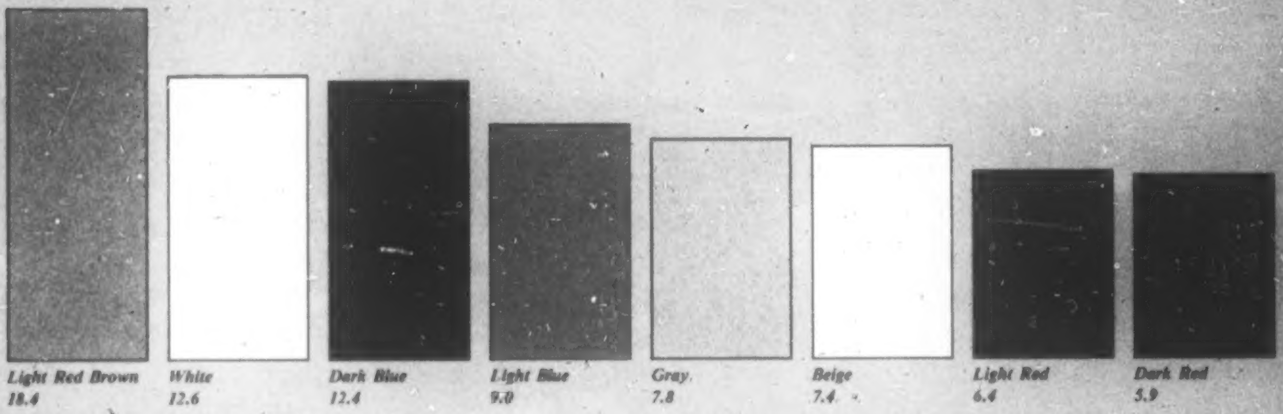
Rank Color	1984%	1983%	+/−
1. White	15.1	15.0	+0.1
2. Light blue	14.2	14.5	−0.3
3. Dark blue	13.0	11.4	+1.6
4. Light grey	12.1	8.8	+3.3
5. Red	10.2	3.9	+6.3
6. Tan	9.1	9.8	−0.7
7. Dark brown/tan*	8.0	2.5	+5.5
8. Black	5.8	10.3	−4.5
9. Med./Dark* red	4.3	8.3	−4.0
10. Gold	4.1	1.8	+2.3

*Second color named is corresponding 1983 shade not offered in 1984.

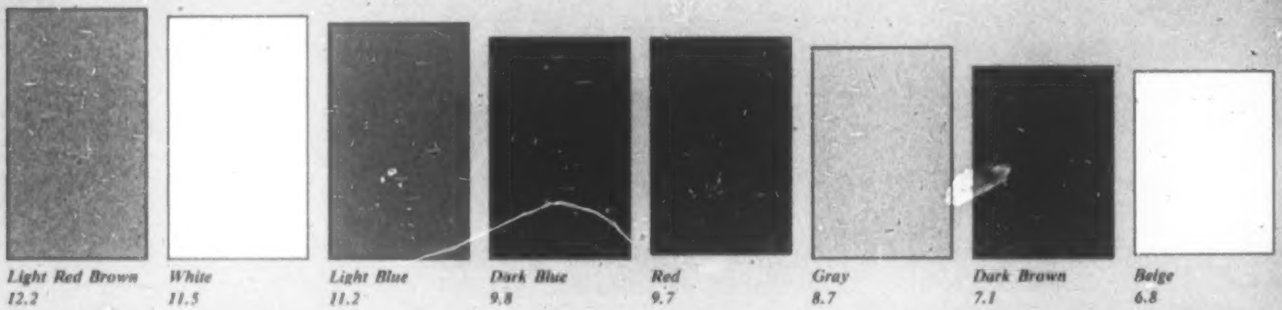
Source: DuPont Co.

". . .white has long ranked as the most popular truck color."

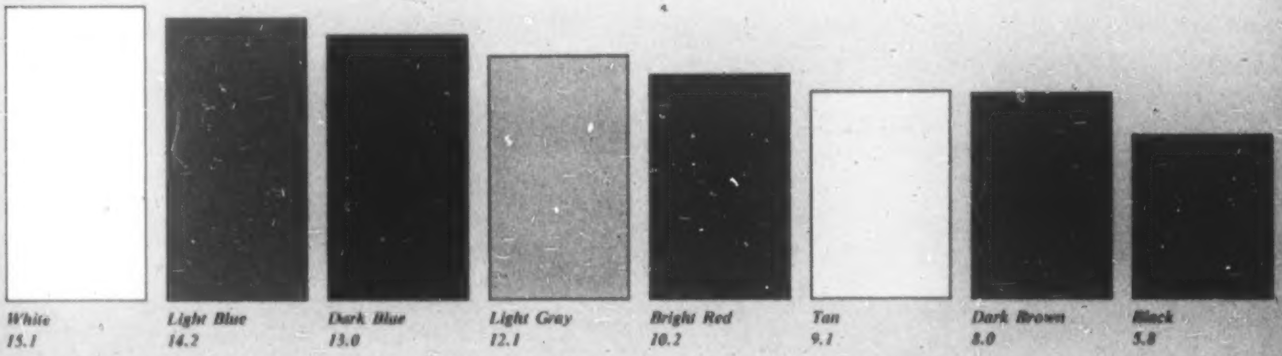
Full Size And Intermediates



Compacts



Trucks



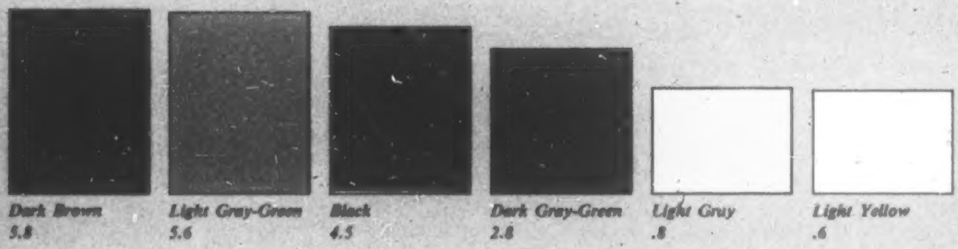
5.6 percent during the last year.

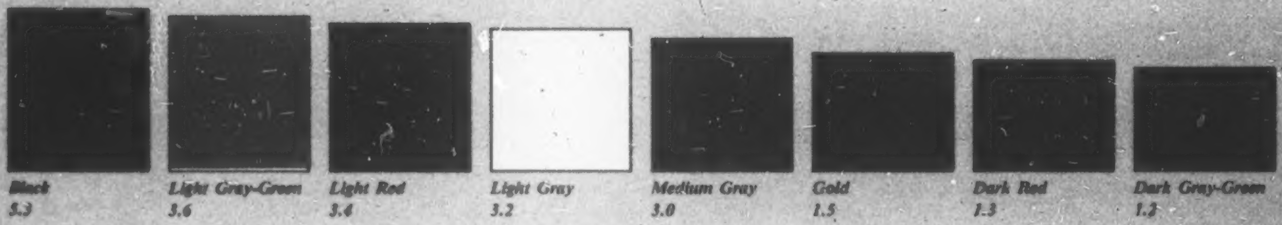
With domestic trucks, the top three colors were white, light blue, and dark blue. The percentage points for white and light blue show a steady penetration of those colors while dark blue's popularity rose slightly during the last year from 11.4 percent to 13.0 percent. Daily comments, "Because of its wide use in striping and two-tone commercial applications, white has long ranked as the most popular truck color, but all three of '83's leaders were more or less stagnant compared with on-rushing red and light-gray."

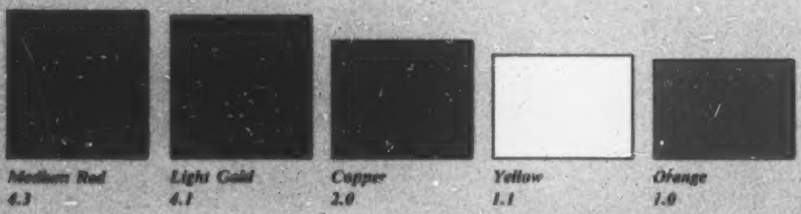
In '83, gray had registered 8.8 percent, but with '84 it climbed to 12.1. In step with the increased popularity of brighter colors on cars, red registered the greatest gain among truck colors, jumping from 3.9 percent in '83 to 10.2 percent. The colors that light gray and

"Black fell more than any other truck color."

Percentage of Popularity



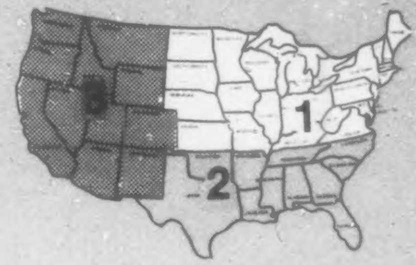




red displaced in the popularity scale were black and tan. Black, in fact, fell more in popularity than any other truck color, registering a slide from 10.3 percent in '83 to 5.8 percent in '84. Dark brown moved up impressively, jumping from 2.5 percent in '83 to 8.0 percent in '84. While medium red was seventh in popularity in '83, it lost 4.0 percentage points in '84, registering 4.3 percent popularity. Gold finished the rankings with 4.1 percent in '84, which represents an increase of 2.3 percent over its '83 percentage.

Fleet managers should be cautioned, however, against using these figures to predict which colors will net highest resale figures three years down the road. "The creative search for good colors — consistent with design, performance, and taste — will continue," Daily comments. ▣

Used Cars



The following are average car prices for the period ending May 8, 1985. Prices are based on wholesale activity at major dealer auctions across the country. They are divided into three zones as indicated on the accompanying map. These averages are calculated electronically on IBM machines. They are based on clean cars only. Proper allowance should be made for upgrading sharp cars and proper deduction taken for fair cars. Automatic transmissions have been included in the averages of all models. This information is published in *Automotive Fleet* by special permission of Automotive Market Report.

Model	AVERAGE AUCTION PRICE Zone 1	Zone 2	Zone 3
83 AMC ALLIANCE			
Sdn	3797	3836	3759
83 AMC CONCORD			
Sdn	4086	4123	4045
Sta Wgn	4312	4358	4269
83 BUICK SKYLARK			
Sdn Custom	4676	4726	4632
82 BUICK SKYLARK			
Sdn	3818	3858	3781
83 BUICK REGAL			
Sdn	6059	6119	5998
Cpe	6227	6286	6167
82 BUICK REGAL			
Turbo Cpe	5550	5606	5493
Cpe	5375	5429	5321
83 BUICK CENTURY			
Sdn Custom	5965	6024	5904
82 BUICK CENTURY			
Sdn Custom	5071	5121	5021
83 CADILLAC			
Cpe DeVille	10456	10582	10354
Sdn DeVille	10396	10501	10291
82 CADILLAC			
Cpe DeVille	8599	8682	8611
Sdn DeVille	8545	8629	8461
83 CHEVY			
Chvt Hitchbk 4-Dr	2889	2920	2863
Camaro Cpe 8	6743	6810	6675
82 CHEVY			
Chvt Hitchbk 4-Dr	2313	2336	2290
Camaro Cpe 8	5827	5884	5768
83 CHEVY CELEBRITY			
Sdn	5672	5627	5614
82 CHEVY CELEBRITY			
Sdn	4641	4684	4594
83 CHEVY CAVALIER			
Sdn	4664	4711	4616
82 CHEVY CAVALIER			
Sdn	3760	3796	3724
83 CHEVY CITATION			
Cpe 6	3811	3849	3771
82 CHEVY CITATION			
Cpe 6	2936	2966	2905
83 CHEVY MALIBU			
Clas Sdn	5491	5545	5438
Clas Sta Wgn	5716	5772	5658
82 CHEVY MALIBU			
Clas Sdn	4523	4558	4477
Clas Sta Wag	4720	4766	4671
83 CHEVY MONTE CARLO			
Cpe	6197	6258	6136
82 CHEVY MONTE CARLO			
Cpe	5164	5216	5111
83 CHEVY IMPALA			
Sdn	5862	5921	5804
82 CHEVY IMPALA			
Sdn	4721	4770	4677
Wgn 9	4906	4956	4856
83 CHEVY CAPRICE			
Sdn	6564	6627	6497
Sta Wag	6789	6857	6720
83 CHRYSLER			
E-Class Sdn	5316	5366	5266
82 CHRYSLER			
New Yorker Sdn	7121	7192	7050
83 DODGE OMNI			
4 Dr Cust	3652.	3686	3616
82 DODGE OMNI			
4 Dr Cust	2827	2856	2799
83 DODGE ARIES			
Cpe	4285	4329	4245
82 DODGE ARIES			
Sdn	3320	3353	3287
83 DODGE DIPLOMAT			
Sln Sdn	4916	4963	4867
82 DODGE DIPLOMAT			
Sln Sdn	3955	3995	3916
83 FORD FAIRMONT			
Futura 6-Cyl Sdn 4 Dr	4101	4140	4059
82 FORD FAIRMONT			
Futura Sdn 4-Dr	3267	3300	3236
83 FORD MUSTANG			
L-Cpe 4	4603	4650	4557
82 FORD MUSTANG			
L-Cpe 4	3702	3741	3666
83 FORD LTD			
Sdn	5073	5126	5021
82 FORD LTD			
Sdn	4963	5014	4912
83 FORD ESCORT			
Htchbk 4 Dr	3582	3618	3546
83 FORD CROWN VIC			
Sdn	7470	7546	7394
82 FORD CROWN VIC			
Sdn	5877	5937	5817
83 FORD THUNDERBIRD			
Cpe	6564	6631	6500
82 FORD THUNDERBIRD			
Cpe	5207	5257	5155
83 LINCOLN CONTINENTAL			
Sdn	12497	12622	12373
Mark VI Cpe	12627	12752	12501
82 LINCOLN CONTINENTAL			
Sdn	10339	10441	10236
Mark VI Cpe	10551	10657	10448
83 MERCURY COUGAR			
Cpe	6683	6747	6617
82 MERCURY COUGAR			
GS Cpe	3878	3915	3836
Sdn	3878	3915	3836
83 MERCURY LYNX			
HtchBk 2-Dr	3528	3564	3493
83 MERCURY MARQUIS			
Sdn	5136	5186	5086
82 MERCURY MARQUIS			
Sdn	5245	5297	5190
Wgn-2S	5407	5461	5351
83 OLDS CIERA LS			
Cpe	5880	5939	5821
Sdn	5957	6017	5896
83 OLDS CUTLASS SUPREME			
Cpe	6363	6427	6298
Sdn	6186	6249	6126
82 OLDS CUTLASS SUPREME			
Sdn	5228	5280	5177
Cpe	5433	5488	5378
83 OLDS DELTA			
Sdn	6706	6772	6642
83 PLYMOUTH HORIZON			
4 Dr Htchbk	3553	3587	3616
83 PLYMOUTH RELIANT			
Cpe	4298	4340	4255
82 PLYMOUTH RELIANT			
Cpe	3310	3342	3275
82 PONTIAC FIREBIRD			
Cpe 8	5871	5926	5812
82 PONTIAC BONNEVILLE			
Sdn 6	4996	5046	4946
83 PONTIAC 6000			
Cpe	5732	5790	5674
Sdn	5812	5867	5750
83 VOLKSWAGEN RABBIT			
2 Dr Htchbk	4428	4472	4384
82 VOLKSWAGEN RABBIT			
2-Dr Htchbk	3427	3461	3393
83 DATSUN			
Sentra 2 Dr Std Sdn	3966	4006	3927
Stanza Hbk 4 Dr Dlx	4750	4797	4703
82 DATSUN			
210 Std 2 Dr	3002	3032	2972
Sentra 2 Dr	3292	3325	3259
Stanza Hbk 4 Dr Dlx	4385	4429	4342
83 TOYOTA			
Corolla Sedan 2 Dr	4748	4796	4700
Celica St	6792	6860	6724
Camry	7596	7672	7520
82 TOYOTA			
Corolla 2 Dr Sdn	3918	3958	3880
Celica St Cpe	5516	5571	5461
Corona Sdn Lux	5383	5436	5329

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automotive FLEET

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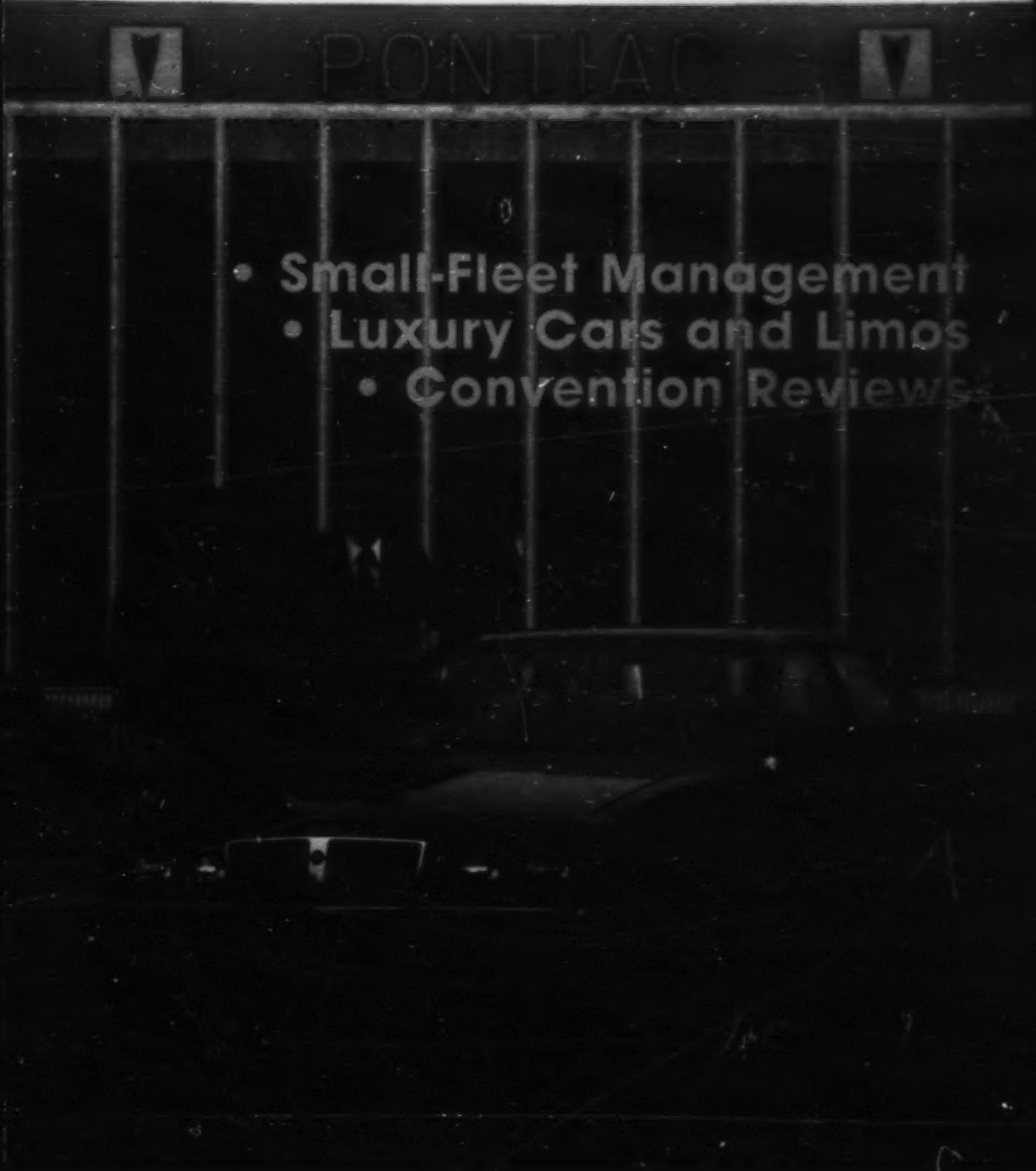
THE MANAGEMENT MAGAZINE FOR CAR
AND LIGHT TRUCK FLEET OPERATORS



- Small-Fleet Management
- Luxury Cars and Limos
- Convention Reviews

JULY 1985 VOL. 24, NO. 9

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THE MANAGEMENT MAGAZINE FOR CAR
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Influencing the management of 4,584,000 cars and 1,970,000 light trucks and vans in business, leasing, rental, utility, government, police, and taxi fleets.

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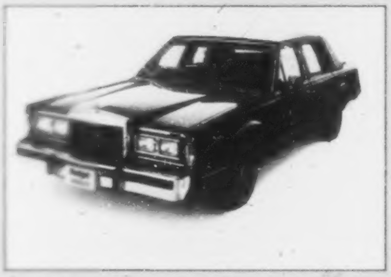

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On our cover: With fleets becoming more committed to four cylinders, cars such as the Pontiac Grand Am are becoming fleet favorites. Nelson Karney (left), director of Pontiac's fleet sales, and J. Michael Losh, General Motors vice president and Pontiac general manager, are sure the new four-door version will see even greater fleet use.

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READER UPDATE

Calendar

JULY

16-19 — National Vehicle Leasing Association course: The Foundations of Leasing Seminar, Hotel Utah, Salt Lake City, UT.

21-26 — Wharton Certified Fleet Manager Program, Course One, workshop developed by Wharton School of the University of Pennsylvania and the NAFA Foundation, Philadelphia, PA.

27-28 — Buzz Doering Automobile Leasing Seminar, City Line Marriott, Philadelphia, PA. For other dates in other cities, call (414) 367-6700.

AUGUST

4-7 — NAFA's Law Enforcement Seminar and Workshop, Salt Lake Sheraton, Salt Lake City, UT.

5-7 — Amembal & Isom Seminar Series on Leasing: The Creative Financial Alternative, New York, NY. For other leasing seminars in other cities, call (801) 484-8555.

SEPTEMBER

9-12 — National Association of Fleet Administrators' Automotive Systems and Maintenance Technologies, Course 80, Adam's Mark, Kansas City, MO.

12-13 — National Association of Fleet Resale Dealers, Sheraton Park Place Hotel, Minneapolis, MN.

18-19 — National Association of Fleet Administrators' Advanced Fleet Management, Course 90, Radisson Plaza Hotel, Charlotte, NC.

19-21 — Automotive Fleet and Leasing Association Convention, Pheasant Run, St. Charles, IL.

29-30 — American Automotive Leasing Association Mid-Year Meeting, Westin O'Hare, Chicago, IL.

Gas Prices

	UNLEADED Cost Per Gallon Unleaded	
City	**Full-Serve**	**Self-Serve**
Juneau, AK	161.5	152.4
Kingman, AZ	160.9	126.9
Bakersfield, CA	154.2	135.2
Miami, FL	148.1	120.0
Honolulu, HI	169.2	150.3
Indianapolis, IN	153.9	129.9
St. Cloud, MN	156.4	133.9
Joplin, MO	121.4	114.9
Tupelo, MS	145.4	127.4
Elko, NV	155.9	139.9
Tulsa, OK	129.6	113.2
Reading, PA	147.4	121.4
Bellaire, TX	141.9	108.4
Arlington, VA	152.9	121.9
Yakima, WA	172.4	131.4

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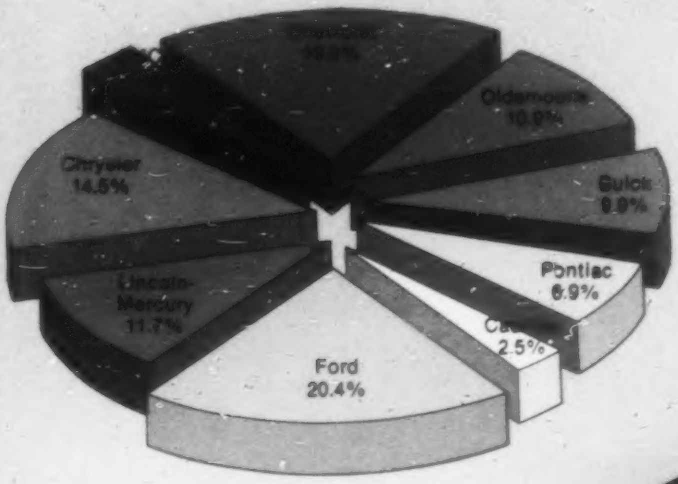
Fleet Car Registrations

First Six Months '85 Model Year vs. First Six Months '84 Model Year

MODEL	1984 Model Year Total	1984 1st 6 mos. MYTD	1985 1st 6 mos. MYTD
SUBCOMPACT			
Charger	3,233	1,638	1,438
Encore	10,191	7,226	7,239
Eagle	4,692	3,043	1,963
Alliance	18,856	11,323	17,277
Skyhawk/SW	8,299	3,551	3,609
Cavalier/SW	44,895	22,188	35,227
Chevette	22,205	13,560	11,501
Omni	11,712	7,329	5,921
Escort	53,123	25,635	37,818
Mustang	26,661	16,102	14,419
Lynx	9,317	5,652	9,213
Capri	3,724	3,036	1,228
Firenza	6,467	2,758	3,945
Horizon	13,448	8,762	7,915
Turismo	3,244	1,876	1,486
T-1000	2,706	842	1,389
Total Subcompact	**250,528**	**134,521**	**161,588**
COMPACT			
Skylark	18,758	9,623	15,197
Citation	25,111	11,719	12,703
Aires	45,445	28,720	21,859
Tempo	78,137	44,322	42,845
Topaz	27,580	19,283	14,086
Omega	6,588	3,755	182
Reliant	61,838	36,905	23,325
Phoenix	3,455	1,547	269
Laser	4,672	1,810	1,863
Daytona	4,038	1,654	1,629
J-2000/Sunbird	13,583	6,667	7,260
Fiero	5,227	2,191	2,492
EXP	1,805	410	1,597
Merkur XR4Ti	0	0	196
Grand Am	0	0	5,801
Calais	0	0	5,362
Somerset Regal	0	0	3,915
Total Compact	**296,732**	[illegible]	[illegible]

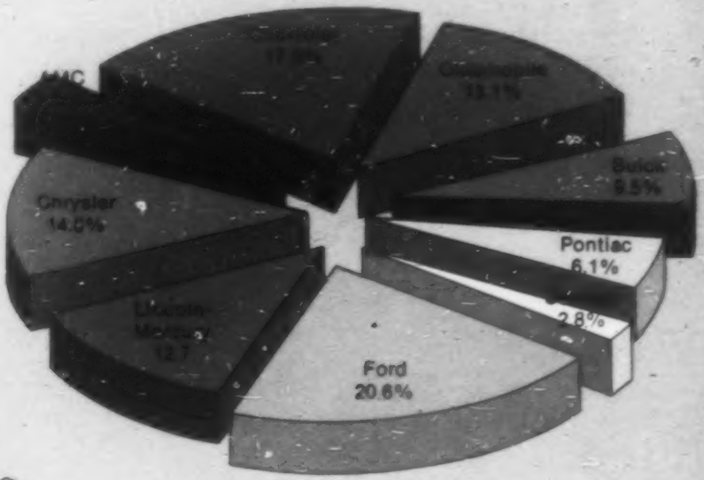
*Registrations are grouped by manufacturers with comparable models.

MODEL	1984 Model Year Total	1984 1st 6 mos. MYTD	1985 1st 6 mos. MYTD
STANDARD			
LeSabre	16,302	8,863	9,212
Impala/Caprice	55,182	25,630	26,202
Diplomat	11,372	3,073	6,203
LTD Crown Vic.	45,141	16,510	19,329
Gr. Marquis	14,826	11,470	11,887
Delta 88	31,409	16,377	15,596
Gran Fury	8,170	2,270	3,071
Parisienne	4,576	2,073	2,724
Total Standard	**186,997**	**86,266**	**94,224**
INTERMEDIATE			
Lancer	0	0	4,245
LeBaron GTS	0	0	3,731
Regal/SW	42,960	27,272	14,871
Century	42,148	19,373	24,817
Celebrity	91,202	43,423	50,416
LeBaron	17,011	9,135	7,369
"E" Class/NY	12,807	8,064	2,537
600	12,535	6,392	8,356
LTD/Granada	79,457	43,740	41,990
Marquis	18,745	12,763	16,601
Cutlass	74,159	44,953	25,734
Ciera	54,878	28,668	29,606
6000	33,786	16,639	19,546
Bonneville	14,462	8,732	7,934
Monte Carlo	12,845	8,460	7,528
Thunderbird	37,941	22,444	20,393
Cougar	24,215	15,385	13,334
Grand Prix	9,185	5,589	5,417
Camaro	27,417	18,221	12,552
Firebird	10,026	5,874	5,001
Caravelle	0	0	6,964
Total Intermediate	**617,754**	**345,127**	[illegible]
LUXURY			
Corvette	3,858	1,773	2,287
Electra	11,847	4,791	4,983
Riviera	7,332	4,518	6,307
Seville	7,266	2,869	2,348
Fleetwood	27,195	2,832	4,144
Eldorado	10,480	5,563	4,336
Toronado	5,559	3,397	1,970
NY Fifth Ave.	7,994	4,262	13,030
98 RWD	15,918	7,843	188
98 FWD	*	10	7,983
Electra RWD	12,520	4,775	163
Electra FWD	*	16	4,820
DeVille RWD	*	10,457	755
DeVille FWD	*	11	8,443
Fleetwood RWD	27,195	2,829	2,215
Fleetwood FWD	*	3	1,929
Town Car	56,913	24,660	26,267
Mark VII	*	8,998	1,896
Continental	*	3,067	2,967
Total Luxury	**194,077**	[illegible]	[illegible]
Total Domestic	**1,548,086**	**790,547**	**855,898**



Dividing the Fleet Pie

First Six Months of '85 Model Year
Percentage of Fleet Sales by Manufacturer



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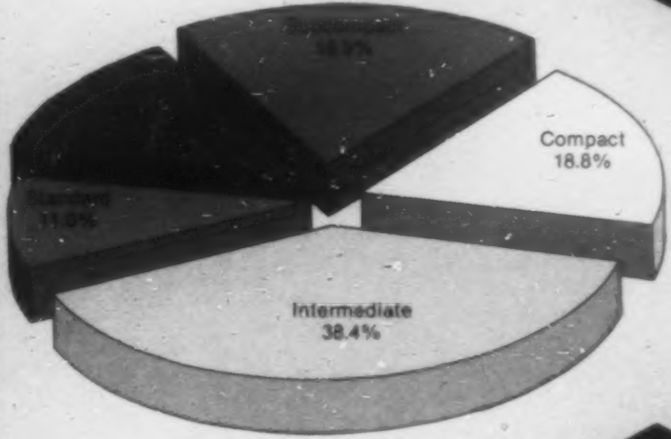
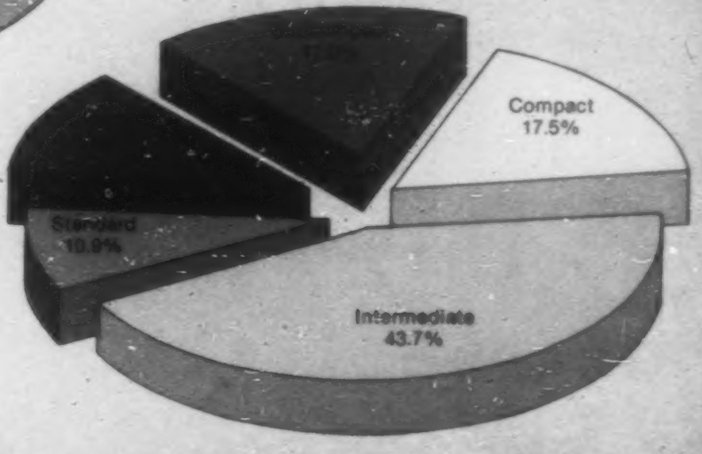


First Six Months of '85 Model Year
Percentage of Fleet Sales by Size Category

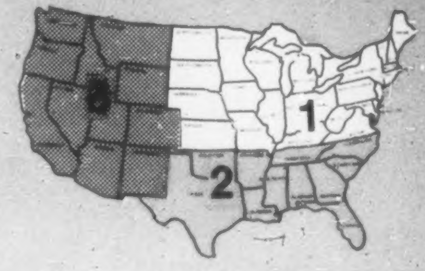


First Six Months of '84 Model Year
Percentage of Fleet Sales by Size Category

Source: *Automotive Fleet* Research Dept.

PRICING UPDATE

Used Cars



The following are average car prices for the period ending June 5, 1985. Prices are based on wholesale activity at major dealer auctions across the country. They are divided into three zones as indicated on the accompanying map. These averages are calculated electronically on IBM machines. They are based on clean cars only. Proper allowance should be made for upgrading sharp cars and proper deduction taken for fair cars. Automatic transmissions have been included in the averages of all models. This information is published in *Automotive Fleet* by special permission of Automotive Market Report.

Model	AVERAGE AUCTION PRICE Zone 1	Zone 2	Zone 3
83 AMC ALLIANCE			
Sdn	3981	4021	3943
83 AMC CONCORD			
Sdn	4004	4040	3965
Sta Wgn	4226	4271	4184
83 BUICK SKYLARK			
Sdn Custom	4583	4631	4540
82 BUICK SKYLARK			
Sdn	3742	3781	3706
83 BUICK REGAL			
Sdn	5888	5946	5827
Cpe	5807	5867	5751
82 BUICK REGAL			
Turbo Cpe	5494	5550	5438
Cpe	5321	5375	5268
83 BUICK CENTURY			
Sdn Custom	5888	5946	5827
82 BUICK CENTURY			
Sdn Custom	4996	5044	4946
83 CADILLAC			
Cpe DeVille	10248	10352	10148
Sdn DeVille	10189	10291	10086
82 CADILLAC			
Cpe DeVille	8454	8535	8366
Sdn DeVille	8400	8483	8318
83 CHEVY			
Chvt Htchbk 4-Dr	2840	2871	2815
Camaro Cpe 8	6596	6661	6529
82 CHEVY			
Chvt Htchbk 4-Dr	2244	2266	2222
Camaro Cpe 8	5711	5767	5653
83 CHEVY CELEBRITY			
Sdn	5486	5543	5431
82 CHEVY CELEBRITY			
Sdn	4572	4614	4525
83 CHEVY CAVALIER			
Sdn	4617	4664	4570
82 CHEVY CAVALIER			
Sdn	3722	3760	3687
83 CHEVY CITATION			
Cpe 6	3727	3765	3689
82 CHEVY CITATION			
Cpe 6	2863	2892	2832
83 CHEVY MALIBU			
Clas Sdn	5409	5463	5357
Clas Sta Wgn	5631	5685	5573
82 CHEVY MALIBU			
Clas Sdn	4477	4522	4433
Clas Sta Wag	4673	4718	4625
83 CHEVY MONTE CARLO			
Cpe	6135	6196	6076
82 CHEVY MONTE CARLO			
Cpe	5112	5164	5060
83 CHEVY IMPALA			
Sdn	5745	5803	5689
82 CHEVY IMPALA			
Sdn	4627	4675	4584
Wgn 8	4808	4857	4759
83 CHEVY CAPRICE			
Sdn	6433	6495	6368
Sta Wag	6654	6720	6586
83 CHRYSLER			
E-Class Sdn	5616	5672	5799
82 CHRYSLER			
New Yorker Sdn	6909	6978	6840
83 DODGE OMNI			
4 Dr Cust	3561	3596	3526
82 DODGE OMNI			
4 Dr Cust	2729	2757	2701
83 DODGE ARIES			
Cpe	4183	4226	4143
82 DODGE ARIES			
Sdn	3221	3253	3189
83 DODGE DIPLOMAT			
Sin Sdn	4769	4816	4722
82 DODGE DIPLOMAT			
Sin Sdn	3856	3896	3819
83 FORD FAIRMONT			
Futura 6-Cyl Sdn 4 Dr	4060	4099	4018
82 FORD FAIRMONT			
Futura Sdn 4-Dr	3218	3250	3187
83 FORD MUSTANG			
L-Cpe 4	4496	4543	4452
82 FORD MUSTANG			
L-Cpe 4	3628	3667	3593
83 FORD LTD			
Sdn	4912	4962	4862
82 FORD LTD			
Sdn	4839	4890	4790
83 FORD ESCORT			
Htchbk 4 Dr	3504	3530	3460
83 FORD CROWN VIC			
Sdn	7248	7322	7174
82 FORD CROWN VIC			
Sdn	4528	4570	4482
83 FORD THUNDERBIRD			
Cpe	6531	6596	6467
82 FORD THUNDERBIRD			
Cpe	5155	5204	5103
83 LINCOLN CONTINENTAL			
Sdn	12348	12471	12226
Mark VI Cpe	12476	12599	12351
82 LINCOLN CONTINENTAL			
Sdn	10196	10295	10092
Mark VI Cpe	10404	10506	10302
83 MERCURY COUGAR			
Cpe	6650	6713	6584
82 MERCURY COUGAR			
GS Cpe	3820	3856	3779
Sdn	3820	3856	3779
83 MERCURY LYNX			
HtchBk 2-Dr	3450	3486	3417
83 MERCURY MARQUIS			
Sdn	4972	5023	4925
82 MERCURY MARQUIS			
Sdn	5089	5140	5035
Wgn-2S	5246	5298	5192
83 OLDS CIERA LS			
Cpe	5803	5862	5746
Sdn	5880	5939	5819
83 OLDS CUTLASS SUPREME			
Cpe	6363	6427	6298
Sdn	6185	6249	6126
82 OLDS CUTLASS SUPREME			
Sdn	5228	5280	5177
Cpe	5433	5488	5378
83 OLDS DELTA			
Sdn	6539	6603	6477
83 PLYMOUTH HORIZON			
4 Dr Htchbk	3464	3498	3429
83 PLYMOUTH RELIANT			
Cpe	4195	4237	4153
82 PLYMOUTH RELIANT			
Cpe	3211	3243	3177
82 PONTIAC FIREBIRD			
Cpe 8	6665	6731	6599
82 PONTIAC BONNEVILLE			
Sdn 6	4921	4971	4872
83 PONTIAC 6000			
Cpe	5646	5703	5590
Sdn	5725	5780	5664
83 VOLKSWAGEN RABBIT			
2 Dr Htchbk	4251	4293	4208
82 VOLKSWAGEN RABBIT			
2-Dr Htchbk	3256	3288	3223
83 DATSUN			
Sentra 2 Dr Std Sdn	3768	3805	3731
Stanza Hbk 4 Dr Dlx	5006	5056	4956
82 DATSUN			
210 Std 2 Dr	2762	2789	2734
Sentra 2 Dr	3127	3159	3096
Stanza Hbk 4 Dr Dlx	4253	4296	4212
83 TOYOTA			
Corolla Sedan 2 Dr	4653	4700	4606
Celica St	6586	6654	6522
Camry	8381	8465	8297
82 TOYOTA			
Corolla 2 Dr Sdn	3801	3838	3764
Celica St Cpe	5351	5404	5297
Corona Sdn Lux	5383	5436	5329

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automotive FLEET

THE MANAGEMENT MAGAZINE FOR CAR
AND LIGHT TRUCK FLEET OPERATORS

Pull-Out
'86 Calendar

'86 Sneak Preview
Car Specifications
Lessors' Recommendations

AUGUST 1985 VOL. 24, NO. 10

automotive FLEET®

THE MANAGEMENT MAGAZINE FOR CAR
AND LIGHT TRUCK FLEET OPERATORS

Influencing the management of 4,584,000 cars and 1,970,000 light trucks and vans in business, leasing, rental, utility, government, police, and taxi fleets.

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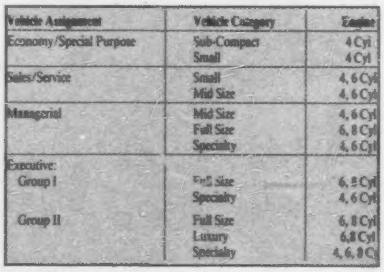

Vehicle Assignment	Vehicle Category	Engine
Economy/Special Purpose	Sub-Compact	4 Cyl
	Small	4 Cyl
Sales/Service	Small	4, 6 Cyl
	Mid Size	4, 6 Cyl
Managerial	Mid Size	4, 6 Cyl
	Full Size	6, 8 Cyl
	Specialty	4, 6 Cyl
Executive:		
Group I	Full Size	6, 8 Cyl
	Specialty	4, 6 Cyl
Group II	Full Size	6, 8 Cyl
	Luxury	6,8 Cyl
	Specialty	4, 6, 8 C

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On our cover: Fleets frequently adopt a "wait and see" attitude about new models. But Don Langefeld (left) and Bill Willis, fleet sales heads for Lincoln-Mercury and Ford, must surely be pleased with the Mercury Sable and Ford Taurus showing up on so many lessors' recommendation lists.

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Calendar

AUGUST

14-18 — The Alliance of State Car and Truck Renting and Leasing Association's Sixth Annual Assembly of Delegates, Ocean Shores Convention Center, Ocean Shores, WA. For information, call (800) 426-0648, ext. 7042.

19-21 — Rocky Mountain Fleet Managers Association's Eighth Annual Fleet Seminar and Equipment Show, Denver, CO. For information: (303) 623-2500.

SEPTEMBER

3-5 — Canadian Automotive Leasing Association Annual Meeting, Prince of Wales Hotel, Niagara-on-the-Lake, Ontario.

9-12 — National Association of Fleet Administrators' Automotive Systems and Maintenance Technologies, Course 80, Adam's Mark, Kansas City, MO.

13-15 — National Association of Fleet Resale Dealers, Sheraton Park Place Hotel, Minneapolis, MN.

18-19 — National Association of Fleet Administrators' Advanced Fleet Management, Course 90, Radisson Plaza Hotel Charlotte, Charlotte, NC.

19-21 — Automotive Fleet & Leasing Association Convention, Pheasant Run, St. Charles, IL.

19-22 — National Auto Auction Association Annual Convention, Denver Marriott, City Center, Denver, CO.

29-30 — American Automotive Leasing Association Mid-Year Meeting, Westin O'Hare, Chicago, IL.

OCTOBER

23-26 — American Association of Equipment Lessors' 24th Annual Convention, Disneyland Hotel, Anaheim, CA.

27-Nov. 1 — Wharton Certified Fleet Manager Program, Course One, workshop developed by Wharton School of the University of Pennsylvania and the NAFA Foundation, Philadelphia, PA. For information: (215) 898-4595.

Gas Prices

	UNLEADED Cost Per Gallon Unleaded	
City	**Full-Serve**	**Self-Serve**
Little Rock, AR	149.9	121.4
Kingman, AZ	164.9	124.4
Oakland, CA	157.9	126.2
Washington D.C.	146.7	122.3
Orlando, FL	142.9	125.4
Atlanta, GA	145.8	120.5
Honolulu, HI	170.0	151.1
Des Moines, IA	148.0	131.0
LaSalle, IL	154.9	127.4
Buzzard's Bay, MA	119.9	106.9
Kalamazoo, MI	157.0	127.4
Raleigh, NC	140.4	118.9
Buffalo, NY	137.3	124.6

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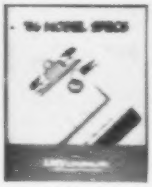
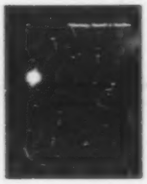
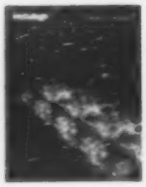
Recommendations Grow More Complex and Specific

What Leading Lessors Recommend for '86







Decisions about a selector list rest with the fleet manager. But with the proliferation of nameplates and trim packages, choosing vehicles for a fleet's selector list has become an increasingly greater challenge. In meeting that challenge, though, it is helpful to compare one's own assessments of the coming model year with those of the major leasing companies. After all, the major leasing companies have large staffs devoted entirely to vehicle analysis and evaluation.

But understanding the major lessors' recommendations is not as simple as it may seem. Gone are the days where a lessor recommended a dozen cars. Instead, with each year, the factors influencing vehicle selection become more diverse.

Consider, for example, the seven factors that Peterson, Howell and Heather identifies as long-term trends impacting vehicle selection; in summary form they are: the inevitability of increasing fuel taxes in response to declining oil prices, rising gas prices as a result of reduced production, volatility of price as a result of dependence upon Middle Eastern producers, increasing fuel costs because of the retreat from a commitment to fuel efficiency, continued retail popularity of four-cylinder powerplants, plus their improved performance because of technological advancements, and no foreseeable drastic reduction in CAFE standards.

Following the PHH analysis a bit further, we see a prediction that a six-cylinder car will cost $541.80 more than a comparable four-cylinder over the vehicle's term, while also committing the company to increasing costs that could differ by as much as $3,000 by 1990.

From the fleet manager's point of view, this type of heady economic prognostication means a more complicated selector list than in years past. And from the lessors' point of view, the recommendation categories no longer are as simple as small, intermediate, and large. Thus, if we are to obtain an overview of the leasing industry's recomendations, it is necessary to look at recommendations for the '86 model year in greater detail than ever before.

Subcompact

Although not one of the larger lessors, Enterprise Leasing annually presents an astute analysis of the coming model year. In the base subcompact category, they recommend: AMC Alliance and Encore, Plymouth Horizon, Dodge Omni, Ford Escort, Mercury Lynx, Buick Skyhawk Custom, Chevette Scooter/Cavalier Cadet, Olds Firenza, and Pontiac Sunbird. Plus they also recommend upgrade trim packages: Alliance/Encore LS, Horizon DL/Custom, Omni Custom, Escort GL, Lynx L, Skyhawk LTD, Cavalier, Firenza LX, Sunbird LE, while also adding the Cadillac Cimarron.

Gelco provides its clients with an analysis of this vehicle size category based on efficiency, and for each of the vehicles recommended, the company also projects acquisition cost, operating cost, and resale value. The vehicles on the Gelco list and the respective dollar figures for acquisition, operating, and residual are: Dodge Omni, $7,186, $.0695, $3,200; Plymouth Horizon, $7,186, $.0695, $3,200; Chevrolet Cavalier $7,863, $.0687, $3,700; Ford Escort $7,171, $.0666, $3,250; Mercury Lynx $7,433, $.0666, $3,350; AMC Alliance L, $7,654, $.0683, $3,300; and AMC Encore S, $7,928, $.0683, $3,400.

Moreover, Gelco recommends this equipment for efficiency: four-cylinder engine, automatic transmission, power steering, AM/FM, dual mirrors, power brakes, air conditioning, tinted glass, electric rear window defroster, front and rear mats, and body side moldings.

Compact

Before looking at ARI's recommendations in the compact class, we should note that they recommend the following equipment on *all* vehicles in order to help maximize resale and provide utility and comfort to drivers: automatic transmission, air conditioning, power steering, power brakes, stereo, tinted glass, body side moldings, wheel covers, cloth interior, and dual horns. Plus for compacts they recommend whitewall tires and cruise control for open-road high-mileage applications. Their recommendations in the compact class are: Buick Skylark, Dodge Aries, Ford Tempo, Mercury Topaz, Oldsmobile Calais, Plymouth Reliant, and Pontiac Grand Am.

“...size alone is not a perfect measure of suitability.”

Many lessors are no longer restricting their recommendations to vehicle-size classifications. Wheels, for example, has a first level category covering vehicles in the “special fleet for low annual mileage/urban application.” The priority for this category is low cost, and the prototype is the GM J-body. Recommended acquisitions are: Chevy Cavalier, Dodge Omni, Plymouth Horizon, Ford Escort L, AMC Encore S, Dodge Charger, Plymouth Turismo, AMC Alliance L, Ford Mustang, and Chevy Camaro. Prices on those vehicles range from the Omni's $7,287 to Camaro's $9,559, and four of the models are two-doors. Wheels additionally recommends a four-cylinder engine when possible, power steering, air conditioning, automatic transmission, power brakes, body side molding, AM/FM stereo, whitewalls, full wheel covers, tinted glass, and left-hand remote mirror, with rear defroster and tilt wheel as optional considerations.

Wheels also gives upgrade for this low annual mileage/urban application fleet: Dodge Omni SE, Plymouth Horizon SE, Mercury Lynx L, Ford Escort GL, Chevy Cavalier CS, Pontiac Sunbird, Buick Skyhawk Custom, Olds Firenza, Mercury Capri GS, Dodge Daytona, Chrysler Laser, and Pontiac Firebird.

Best Value

You will probably note that the inclusion of GM F-bodies on that list signals a move from the low-cost utility class. But before scrutinizing mid-size, it's important to look at a few more of the “new” categories. Earlier we touched on the long-term trends that PHH identified in the industry. The brunt of that lessor's arguments points toward the four-cylinder fleet vehicle. Along with the compelling economic advantages, they also note the continued disruption of fleet planning that is a by-product of selecting six-cylinders. Because size alone is not a perfect measure of suitability, PHH groups its “Best Value” recommendations around market image and price, offering the best all-around combination of image, fuel economy, safety, power, and resale value.

In the “Best Value” category, PHH recommends: Chevy Celebrity CL, Dodge Lancer, Ford Taurus, Olds Calais, Plymouth Caravelle, and Pontiac 6000. All these models are four-doors, with the exception of the Lancer, which is a hatchback. The GMs and Fords have 2.5-liter four-cylinder engines; the Chryslers, 2.2-liter fours. Projected prices average $9,540, and projected MPG figures average 24.7. These vehicles, it can be said, are hardly “fleet dogs,” and insiders will also remark on the inclusion of the new Ford Taurus.

PHH recommends the same options that it has for the last two years: AC, automatic transmission, body side moldings, power steering, power brakes, WSW radials, tinted glass, front mats, AM/FM stereo, wheel covers, and cloth interior.

Performance

Because some companies have found it hard to get drivers to switch from sixes to fours, PHH has developed a strategy encapsulated in their new “Performance Group.” This new group is keyed to the emergence of a new, young socio-economic class, often called “Yuppies,” that attaches great value to style and comfort. Some of the cars in this group are six-cylinders, but the wide range of models and options appeals to a new group of fleet drivers who do not equate value with size and power but with creature comforts and self-expression.

Additionally, this PHH category offers drivers an incentive to save company money by choosing four-cylinder models with options over simpler sixes. The six-cylinder choices are: Chevy Celebrity CL, Ford Taurus, and Pontiac 6000. As an alternative there are these four-cylinders: Buick Skylark Custom, Chrysler LeBaron GTS, Olds Calais Supreme, and Pontiac Grand Am LE.

A second alternative in this class

continued on page 49

PHH's Performance Group Recommendations

1. As 6-cylinder choices offer:

Make of Car		Projected '86 Price	Projected '86 MPG
Chevrolet Celebrity CL		$ 9.850	22.0
Ford Taurus		$ 9.850	20.0
Pontiac 6000		$10.025	22.0
	Average Price	$ 9.908	
	Average Fuel Economy		21.3 MPG

2. As alternative choices, offer the following four cylinder models:

Make of Car	Body Style	Engine	Projected '86 Price	Projected '86 MPG
Buick Skylark Custom	4 Door Sertan	2.5L 4-cyl	$10.037	25.3
Chrysler LeBaron GTS	4 Door Hatchback	2.5L 4-cyl	$10.400	24.0
Olds Calais Supreme	4 Door Sedan	2.5L 4-cyl	$10.000	25.3
Pontiac Grand AM LE	4 Door Sedan	2.5L 4-cyl	$10.040	25.3
	Average Price		$10.119	
	Average Fuel Economy			25.0 MPG

3. Or offer the following Incentive Option Groupings as additions to the cars and options we recommend as Best Value

Lifestyle Option Packages		Est. Price
Chevrolet Celebrity Eurosport and AM/FM Stereo Cassette		$300
Ford Taurus MT5 with AM/FM Stereo Cassette		$300
Long Distance Comfort Packages		
Package A	Cruise Control Reclining Seats Tilt Wheel	$300
Package B	Cruise Control AM/FM Stereo Cassette	$300
Package C	Power Seats Stereo Cassette	$300

“...mid-size represents the best business compromise.”

is to offer the incentive option groupings as additions to the cars recommended in the “Best Value” category. The “Lifestyle Option Packages” are Chevy Celebrity Eurosport with AM/FM cassette and Ford Taurus MT5 with AM/FM cassette. “Long-Distance Comfort Packages” are another incentive option addition to “Best Value” cars. Three packages with a $300 pricetag would be cruise control, reclining seats, and tilt wheel; cruise control and AM/FM cassette; and power seats and stereo cassette.

High Resale Two-Door

The PHH examples show the evolution for fleet vehicle categories. A similar example can be seen in Leaseway's '86 recommendations. The company's categories include FWD fuel economy, and then both compact and mid-size contemporary FWD fleet cars, as well as traditional RWD categories; moreover, there are both front- and rear-wheel-drive and full-size managers' cars. But one category of special interest is for “High Resale Two-Door Cars.” If a company can use two-door cars, Leaseway strongly recommends it use these rear-wheel-drive models whenever possible: Buick Regal Limited, Oldsmobile Cutlass Supreme, Pontiac Grand Prix, Chevrolet Monte Carlo, Ford Thunderbird, and Mercury Cougar.

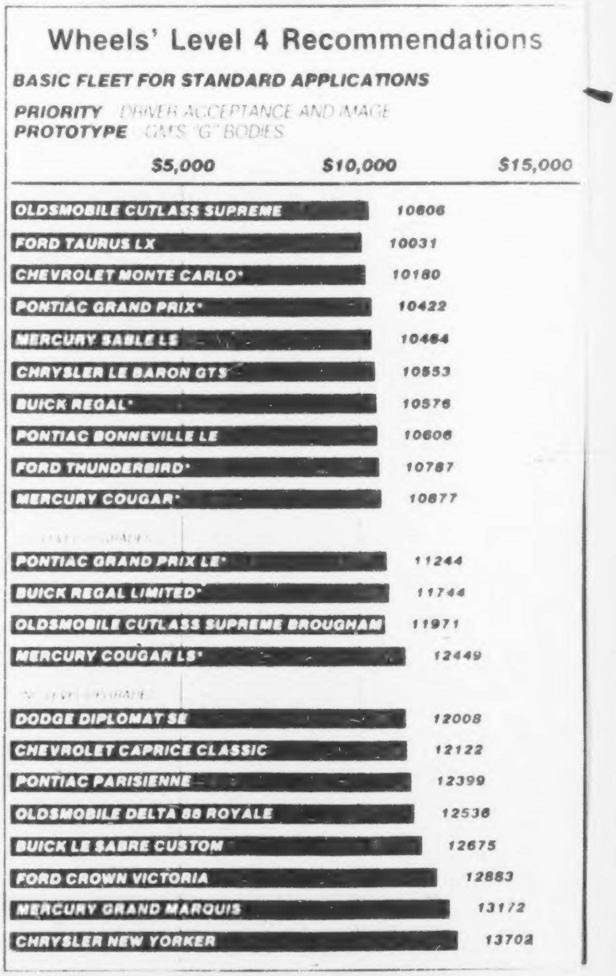
Basic recommended equipment on those models includes automatic transmission, power steering, power brakes, AC, tinted glass, AM/FM stereo, dual mirrors with left remote and right manual, body side moldings, front and rear mats, WSW tires, wheel covers, power door locks, power trunk release, cruise control, and tilt wheel. Moreover, Leaseway recommends “any ‘pastel’ color,” going on to mention light blue, light green, beige, tan, or white.

Mid-Size

If some of these recommendations seem a bit complicated, those from U.S. Fleet Leasing provide a respite. USFL believes the mid-size category represents the best business compromise between economy and roominess, and 60 percent of the lessor's vehicle purchases are in that category. USFL recommends six models, ranked preferentially, with the last two representing a tie. With each is given estimated MPG, and total cost for a 24-month cycle given in dollars per month and cents per mile: Chevy Celebrity, 23 MPG, $417/month, $.200/mile; Dodge

Gelco's Mid-Size Recommendations

	Acquisition Cost	Operating Cost Cent/Mile	Resale Value
Contemporary Category			
Ford Taurus	$ 9,750	$.0739	$4,900
Mercury Sable GS	$10,060	$.0739	$4,950
Dodge Lancer	$ 9,726	$.0749	$4,800
Chrysler LeBaron GTS	$10,008	$.0749	$4,900
Chevrolet Celebrity CL	$ 9,560	$.0758	$5,000
Plymouth Caravelle	$ 9,403	$.0766	$4,700
Pontiac 6000 LE	$10,059	$.0758	$5,500
Oldsmobile Cutlass Ciera LS	$10,060	$.0758	$5,500
Buick Century Custom	$10,079	$.0758	$5,550
Dodge 600	$ 9,352	$.0766	$4,600
Traditional			
Ford LTD Brougham	$ 9,435	$.0830	$4,950
Mercury Marquis Brougham	$ 9,777	$.0830	$5,150
Pontiac Bonneville LE	$10,142	$.0939	$5,500
Oldsmobile Cutlass Supreme	$10,485	$.0939	$5,600


Wheels' Level 4 Recommendations

"...note the acceptance of 'contemporary' styling..."

Aries/Plymouth Reliant, 24 MPG, $418/month, $.201/mile; Pontiac 6000, 23 MPG, $423/month, $.207/mile; Ford Taurus, 21 MPG, $434/month, $.208/mile; and Buick Century Custom/Oldsmobile Cutlass Ciera LS, 23 MPG, $436/month, $.209/mile.

In terms of supplementary information, USFL offers a number of tables, ranking fleet vehicles for: total cost of operation for 24 months and 50,000 miles, fuel economy (MPG), acquisition cost, approximate driving range, and rank within vehicle type (size category). These tables will be particularly helpful in comparing manufacturers' vehicles against each other.

Gelco has a particularly comprehensive set of recommendations for the mid-size category. Their list reflects the changing nature of the fleet vehicle, showing both "contemporary" and "traditional" categories. Under "contemporary" we find: Ford Taurus, Mercury Sable GS, Dodge Lancer, Chrysler LeBaron GTS, Chevy Celebrity CL, Plymouth Caravelle, Pontiac 6000 LE, Olds Cutlass Ciera LS, Buick Century Custom, and Dodge 600. Under "traditional" we find: Ford LTD Brougham, Mercury Marquis Brougham, Pontiac Bonneville LE, and Olds Cutlass Supreme.

Gelco additionally furnishes acquisition costs, operating costs in cents per mile, and resale values for these vehicles. Recommended equipment includes four-cylinder engine, automatic transmission, power steering and brakes, AM/FM stereo, dual mirrors, AC, tinted glass, cruise control, tilt wheel, electric rear window defogger, front and rear mats, white sidewalls, and body side moldings.

Staying in the mid-size category for a moment, we may want also to look at what Wheels recommends. The Chicago-based lessor terms this category "Basic Fleet for Standard Applications," but it breaks the category down into two different levels. First is that for which the priority is reasonable cost and driver acceptance, with the prototype being the GM A-body; the second is that for which the priority is on driver acceptance and image, with the prototype being the GM G-body.

The Wheels list for the mid-size cars where driver acceptance and image are the priority include: Olds Cutlass Supreme, Ford Taurus LX, Chevy Monte Carlo, Pontiac Grand Prix, Mercury Sable LS, Chrysler LeBaron GTS, Buick Regal, Pontiac Bonneville LE, Ford Thunderbird, and Mercury Cougar. You will note that five of those are two-doors — Monte Carlo, Grand Prix, Regal, T-bird, and Cougar. You may also note the acceptance of "contemporary" styling as contrasted with "traditional" lines.

In this category, Wheels recommends a six-cylinder engine, where available, as well as the usual spate of options, including cruise control and left-hand remote mirror.

Wheels also offers upgrades in the mid-size category. First-level upgrades are: Pontiac Grand Prix LE, Buick Regal Limited, Olds Cutlass Supreme Brougham, and Mercury Cougar LS. Second-level upgrades are: Dodge Diplomat SE, Chevy Caprice Classic, Pontiac Parisienne, Olds Delta 88 Royale, Buick Le Sabre Custom, Ford Crown Vic, Mercury Grand Marquis, and Chrysler New Yorker. Upgrades include such equipment as power windows, split front seats, dual remotes, heavy-duty suspension, tilt wheel, premium wheel cover, and power door locks.

Hertz Car Leasing also recommends the Olds Delta 88 and the Buick LeSabre in the full-size category. These new GM H-bodies are scheduled to arrive in November; on them, Hertz specifies V-6s.

Full-Size

It should be obvious that with vehicles such as those listed in the second level of Wheels' "Basic Fleet for Standard Applications," we are moving toward the "Executive" driver category. In designing its booklet profiling the coming model year, McCullagh Leasing, like other lessors, was hesitant to make general recommendations. "Our assumptions may or may not fit the profile of your own fleet," McCullagh cautions. "So even if we identified the vehicles that we think represent the best overall value, you would still have to judge whether those vehicles are 'best values' relative to your own requirements."

The experts at McCullagh have given their clients a tool for doing just that. Called a "Selector Worksheet," it gives the fleet manager a chance to assign different values indicating the importance of factors such as acquisition cost, cargo room, resale, and image. Having ranked the value categories, the

McCullagh's Management Recommendations

The vehicles in this class are recommended for functions where operating costs are balanced by other [illegible] tangible requirements

Recommended Replacement: 45,000 miles/24 months

Recommended Equipment:

AM FM Stereo
Air Conditioning
Body Side Moldings
Speed Control
Automatic Transmission
Front & Rear Guards
Power Brakes
Power Door Locks
Power Steering
Rear Defroster
Steel Belted Radial Tires
Tilt Wheel
Tinted Glass
Wheel Covers

MANAGEMENT FLEETS

4 Door	2 Door	Standard Engine Cyl	Standard Engine Litres	Est. EPA	Wheel Base	Cargo Area	FWD	RWD
CLASS M-1								
Buick LeSabre	Buick LeSabre	V-6	3.0	17	110.8	16.1	x	
Chevrolet Caprice Classic	Chevrolet Caprice Classic	V-6	4.3	18	116.0	20.9		x
Ford LTD Crown Victoria	Ford LTD Crown Victoria	V-8	5.0	16	114.3	22.4		x
Oldsmobile Delta 88	Oldsmobile Delta 88	V-6	3.0	17	110.8	16.1	x	
Pontiac Parisienne		V-6	4.3	19	116.0	20.8		x
CLASS M-2								
	Buick Regal Limited	V-6	3.8	19	108.1	16.2		x
Chrysler New Yorker		4	2.5	20	103.3	17.1	x	
	Ford Thunderbird Heritage	V-6	3.8	20	104.0	15.0		x
	Mercury Cougar XR-7 LS	V-6	3.8	19	104.0	14.6		x
Oldsmobile Cutlass Supreme	Oldsmobile Cutlass Supreme	V-6	3.8	21	108.1	15.2		x
Pontiac Bonneville LE	Pontiac Grand Prix LE	V-6	3.8	21	108.1	16.6		x

"...responsibility must always rest with the fleet manager."

fleet manager then assigns each an "importance factor" from one to 20. The vehicles thus effectively recommend themselves.

If the fleet manager were to use the "Selector Worksheet" in the "Management" category, he or she would be evaluating vehicles "where operating costs are balanced by other less tangible requirements." McCullagh recommends management vehicles in two classes, the second an upgrade. The first includes two-door and four-door models. Four-door recommendations are: Buick LeSabre, Chevy Caprice Classic, Ford LTD Crown Vic, Olds Delta 88, and Pontiac Parisienne. All but the Parisienne also appear as two-door recommendations. The second "management" class also includes both four- and two-doors. Four-doors are: Chrysler New Yorker, Olds Cutlass Supreme, and Pontiac Bonneville LE. Two-doors are: Buick Regal Limited, Ford Thunderbird Heritage, Mercury Cougar XR-7 LS, Olds Cutlass Supreme, and Pontiac Grand Prix LE.

Executive

At the top of the selector list is the "Executive" category. When we look at the recommendations of Dart and Kraft, for example, we find projected acquisition costs for their recommended vehicles ranging from $12,415 to $14,873. Moreover, the equipment list includes all the "usual" options, plus whitewall radials, deluxe wheel covers, vinyl roof and two-tone paint, and six-way power seat. Listed in alphabetical order, Dart and Kraft's "Executive Class" recommendations are: Buick Electra, Chevrolet Caprice Classic Brougham, Chrysler New Yorker, Ford LTD Crown Victoria (luxury interior group), Mercury Grand Marquis LS, Olds 98 Regency, and Pontiac Parisienne Brougham.

In the "Executive" category, Hertz Car Leasing recommends Buick Electra Park Avenue, Olds 98 and Toronado, and Buick Riviera, again showing their preference for GM's new '86 models, this time, the E-bodies. Hertz also has a "Luxury" class, containing Lincoln Town Car and Cadillac's new Seville and Eldorado.

At the top of the line are what might be termed "Luxury Specialty" cars. Enterprise Leasing has a "Luxury" category, its base level including Chrysler New Yorker/Fifth Avenue, Lincoln Town Car/Continental, Buick Electra LTD, Cadillac De Ville, and Olds 98 Regency. The upgrade category includes Town Car's Continental Designer, Electra's Park Avenue, Cadillac Fleetwood, and the Olds 98 Regency Brougham. Moreover Enterprise also shows a "Luxury Specialty" category. In it are the Lincoln Mark VII, Buick Riviera, Cadillac Eldorado and Seville, and Olds Toronado Brougham.

Wagon

Most fleets no longer draw that strict a line between station wagons and small vans; with many fleets, in fact, the minivan is replacing the full-size wagon for small-cargo uses. In the station-wagon group, we find PHH recommending the Chevy Astro, Chevy Celebrity, Dodge Aries Custom, Dodge Caravan, Ford Aerostar, Ford Taurus wagon, Plymouth Reliant Custom, and Plymouth Voyager. Observers will note the emphasis on good utility and fuel economy.

To ensure saleability, PHH recommends AC, automatic transmission, power brakes, power steering, AM/FM stereo, third seat when available, tinted glass, front mats, body side moldings, wheel covers, WSW radials, heavy-duty suspension, and cloth or vinyl interior depending on service and climate.

In contrast to that complex menu is Hertz' recommendation for minivan, the Ford Aerostar.

On the subject of minivans, it may be additionally helpful to look at the equipment that McCullagh recommends: optional payload package, automatic transmission, right passenger seat, rear door glass, power steering, dual low mirror mounts, optional fuel tank capacity, and radio.

In summary, we might echo a word of advice implicit in a statement made by Lend Lease when it says, "We would be pleased to have the opportunity to develop recommendations for you based on the unique requirements of your fleet." Published recommendation should not be interpreted as recipes for fleet selection success. When studied, they can be used to reflect the changing profile of the "typical" fleet vehicle. But in terms of aiding the selection process, they are only general guidelines and must be tailored to each fleet's individual usage requirements. And that responsibility must always rest with the fleet manager. AF

Avis' Recommendations

(Avis does not make specific model recommendations but recommends vehicle category, engine, and model level based on vehicle assignment. Additionally, Avis recommends specific optional equipment in three model levels.)

Vehicle Assignment	Vehicle Category	Engine	Model Level
Economy/Special Purpose	Sub-Compact	4 Cyl	Base Level
	Small	4 Cyl	Base Level
Sales/Service	Small	4, 6 Cyl	Mid Level
	Mid Size	4, 6 Cyl	Mid Level
Managerial	Mid Size	4, 6 Cyl	Top Level
	Full Size	6, 8 Cyl	Base Level
	Specialty	4, 6 Cyl	Selective
Executive:			
Group I	Full Size	6, 8 Cyl	Mid Level
	Specialty	4, 6 Cyl	Selective
Group II	Full Size	6, 8 Cyl	Top Level
	Luxury	6,8 Cyl	Top Level
	Specialty	4, 6, 8 Cyl	Top Level

NOTE: Where use dictates, select hatchback, station wagon or "mini" van/wagon which best fits passenger & cargo requirements.

A Way to Satisfy Drivers *and* Management

Fleet-Car Accessories: Weighing All the Options

Before invention of the "accessory" called the rear-view mirror, drivers in the Indianapolis 500 had to be accompanied by an observer/mechanic who watched through the back window for oncoming cars. A decade ago, just one of every four fleet vehicles offered cruise control as an accessory; today cruise is used by nearly 65 percent. Similarly, few fleets had heard of a "tilt" steering wheel in '75. But now, 10 years later, tilt's a fact for four in 10 fleet units, and more administrators are selecting that option all the time.

Though the popularity — and even the definition — of accessories and options may change over the years, their ability to satisfy drivers and help control holding costs thankfully remains the same. In a day of tight budgets and increasing emphasis on the business car as perk, that's good news for drivers and fleet managers alike.

"Fleet policy should clearly state what options the driver may add or change, and who is responsible for the resulting cost," advises a recent report by Runzheimer International of Rochester, WI. "The advantages of certain accessories are of both a personal and a corporate nature. At the employee's level, options can provide greater comfort, less fatigue, and often a greater degree of prestige. From a corporate standpoint, safety is improved, used vehicles are disposed of more quickly at higher resale values, and personnel relations are enhanced."

These days, the typical fleet car is equipped with automatic transmission, a four- or six-cylinder engine, AM/FM radio, power steering, and power brakes. But air conditioning, tinted glass, and cruise control are becoming more and more common on many fleet vehicles. And such additional options as a rear-window defogger, tilt steering, cassette-equipped radios, and power door-locks are being seen with increasing frequency.

Take cruise, for example, the innovative advancement allowing drivers to set a desired speed with the touch of a finger. According to the latest survey of new-car acquisition patterns by the National Association of Fleet Administrators, cruise continues its growth as an "option" fast becoming standard equipment. Among fleets in NAFA's manufacturing-consumer group, for instance, cruise was installed on all cars for 10 of 12 fleets ordering large cars; on 16 of the 20 ordering mid-size cars; and on five of nine fleets ordering compacts.

The NAFA survey revealed another interesting trend, this one relating to tilt steering wheels. While tilt is currently selected by some 37 percent of American fleets overall, fleets in NAFA's drug and cosmetic sector selected the option almost as frequently as cruise. Of 18 large-car fleets in this group, no fewer than 12 ordered tilt, while 15 requested cruise; of 31 mid-size fleets, 11 asked for tilt, while 13 selected cruise.

To Wayne Horn of the Indiana Auto Auction in Ft. Wayne, IN, such pairing of advanced accessories makes good economic sense. "At resale time, some options are not nearly as effective by themselves as they are in tandem," says Horn, who sells some 800 cars a week — 40 percent of them for fleets ranging from Lend Lease and Donlen to General Mills. "Two options that work well together are tilt with cruise, and power windows with power locks. The effect of such pairings may be all psychological, but it's an important effect, nevertheless. A guy will look inside a car and see only one button and say, 'Gee, I wish it had power windows *and* locks, too.'

"I have to wonder about fleet managers who try to save money by leaving one or the other of such options off," Horn continues. "They might have to spend an extra $140 up front, but they're going to get it back come auction time."

Which accessories make the *most* economic sense these days? "What's best will change with the type of car," Horn replies. "In certain cars, certain options are almost a prerequisite; in others, they're not so important. On any car from mid-size on up, tilt and cruise are almost

Optional Equipment to Buy or Not to Buy

Option	Price	Resale	Safety	Driver Convenience	Driver Preference
Power Windows	$225	$150	None	High	High
Power Door Locks	150	50	High	High	Medium
AM/FM Stereo	125	50	None	None	High
AM/FM Stereo & Tape	250	100	None	None	High
Vinyl Roof	200	0	None	None	Medium
Power Seats	200	100	None	Fair	Medium
Cruise Control	150	50	None	High	High
Tilt Wheel	100	50	None	Fair	Fair
Custom Interior	300	100	None	None	Medium
Power Trunk	50	0	None	Fair	Fair
Intermittent Wipers	50	0	None	Fair	Fair
Sunroof	700	300	None	None	Fair
Bumper Guards	50	0	None	None	Fair
Rear Defroster	100	0	High	High	Medium
Floor Mats	25	0	None	Fair	Medium

Source: *Wheels 1986 Preview Guide*

" 'Radio equipment is more important than ever...' "

mandatory. Power windows and locks are also very important. As you get into the upper mid-size, power seats become more essential.

"Radio equipment is more important than ever to today's used-car customer," Horn goes on. "AM/FM is as important as air conditioning, and cassette-tape decks are getting stronger and stronger. Rear-window defoggers are also a good option, particularly in the northern states."

Fleet managers are becoming more sophisticated about accessory selection, Horn adds. "They're realizing that resale value is one of the best ways to control holding costs. If you have 10 red Cieras lined up at auction, the one with a couple of extra buttons will probably sell first. The baby boomers are out there now, and they like their toys!"

Baby boomers are also driving today's business cars — a fact that Peterson, Howell and Heather recognizes in its recommendations for '86 fleet vehicles. "These folks...attach great value to style and comfort," PHH points out. "We believe that a strategy can be built around them, a strategy which can reduce fleet costs: Offer four-cylinder model/option combinations equal to the incremental cost of the six-cylinder engine. Let the driver decide whether power, image, or comfort are most important to his lifestyle, and then let the driver personalize the choice."

PHH, for instance, begins by recommending the Chevy Celebrity CL, Dodge Lancer, Ford Taurus, Olds Calais, Plymouth Caravelle, and the Pontiac 6000 as its "best value" fleet cars. Then in the "performance group," where six-cylinders are the first choice, PHH suggests offering "Lifestyle Option" packages on the four-cylinder "Best Value" cars. The $300 packages include combinations of cruise, reclining seats, tilt, and AM/FM cassette.

One fleet illustrating the value of a liberal accessories policy is that operated by Minnesota Mining & Manufacturing, where 7,866 cars, light trucks, and vans earned the company eighth place on *Automotive Fleet*'s latest Top 100. Based in St. Paul, MN, 3-M loads all of its sales-force sedans and station wagons with the likes of body side molding, tilt, cruise, tinted glass, AM/FM stereo, dual mirrors, rear-window defogger, full wheel covers, power steering and brakes, auxiliary lighting, and carpet insert floor mats. Management cars are equipped with still more, including intermittent wipers, two-tone paint jobs, and power windows and seats.

Beyond those generous options, the firm allows its drivers to upgrade even further at their own expense. Thirty-five percent regularly choose to do so, at an average cost of $125; the most popular extras are cassette radios and power door locks.

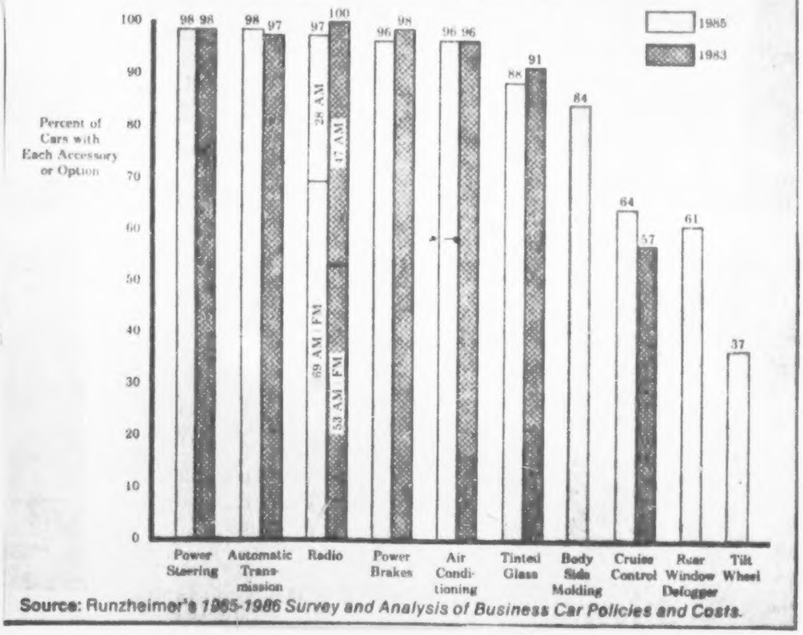
"We equip our cars in the manner that is most beneficial both to our operators and to our ability to resell the units," says Tim Hoffmann, 3-M's manager for employee transportation and travel services. "If you can see the accessory, we feel that it will be worth something at resale."

Trying to anticipate the hottest options on tomorrow's market can be risky, of course. But there might be some clues in recent statistics compiled by the weekly trade paper, *Automotive News*. Four years ago, for example, rear-window defoggers were installed as accessories on 52 percent of U.S.-built cars; by last year that figure had risen to 62 percent. Just 23 percent had power-side windows in '81; in '84 the number was 38 percent. While only 12 percent had AM/FM radios with cassette-decks in '81, last year 33 percent did.

Is it possible to predict fleet-car options of the future? Runzheimer thinks so. "Electronic dashboard displays, digital readouts, electronic theft prevention systems, vehicle and driver audio command capability, and computerized vehicle control will be nearly universal. Comfort and convenience options such as power steering and brakes, climate control, rear and side window defoggers, cruise control, tilt steering wheels, and electronic remote dual mirrors will become more and more standard... And inflatable air bags and/or passive restraint belt systems will be mandatory."

All in all, it's an outlook sure to cheer accessory manufacturers. Not to mention you *and* your drivers. AF

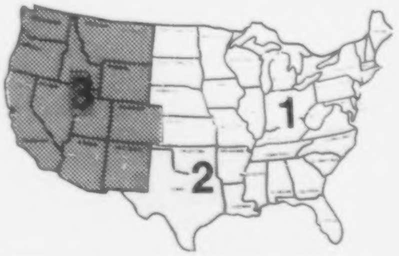
What Percentage of Respondent 1985 Model Fleet Cars Will Have Each of the Following Accessories or Options?



Source: Runzheimer's *1985-1986 Survey and Analysis of Business Car Policies and Costs.*

PRICING UPDATE

Used Cars



The following are average car prices for the period ending July 3, 1985. Prices are based on wholesale activity at major dealer auctions across the country. They are divided into three zones as indicated on the accompanying map. These averages are calculated electronically on IBM machines. They are based on clean cars only. Proper allowance should be made for upgrading sharp cars and proper deduction taken for fair cars. Automatic transmissions have been included in the averages of all models. This information is published in *Automotive Fleet* by special permission of Automotive Market Report.

	AVERAGE AUCTION PRICE		
Model	**Zone 1**	**Zone 2**	**Zone 3**
83 AMC ALLIANCE			
Sdn	3882	3921	3843
83 AMC CONCORD			
Sdn	3141	3174	3109
Sta Wgn	3306	3338	3273
83 BUICK SKYLARK			
Sdn Custom	4510	4557	4467
82 BUICK SKYLARK			
Sdn	3694	3732	3658
83 BUICK REGAL			
Sdn	5896	5956	5837
Cpe	6061	6120	6001
82 BUICK REGAL			
Turbo Cpe	5418	5472	5362
Cpe	5247	5300	5194
83 BUICK CENTURY			
Sdn Custom	5806	5863	5745
82 BUICK CENTURY			
Sdn Custom	4926	4974	4877
83 CADILLAC			
Cpe DeVille	10458	10197	9996
Sdn DeVille	10037	10138	9936
82 CADILLAC			
Cpe DeVille	8345	6424	8258
Sdn DeVille	8291	8373	8210
83 CHEVY			
Chvt Htchbk 4-Dr	3064	3094	3032
Camaro Cpe 8	6530	6594	6464
82 CHEVY			
Chvt Htchbk 4-Dr	2211	2232	2189
Camaro Cpe 8	5654	5709	5596
83 CHEVY CELEBRITY			
Sdn	5451	5504	5393
82 CHEVY CELEBRITY			
Sdn	4540	4582	4493
83 CHEVY CAVALIER			
Sdn	4571	4617	4524
82 CHEVY CAVALIER			
Sdn	3666	3704	3632
83 CHEVY CITATION			
Cpe 6	3653	3690	3615
82 CHEVY CITATION			
Cpe 6	2829	2858	2798
83 CHEVY MALIBU			
Clas Sdn	5613	5425	5319
Clas Sta Wgn	5592	5646	5534
82 CHEVY MALIBU			
Clas Sdn	4446	4490	4402
Clas Sta Wag	4641	4685	4593
83 CHEVY MONTE CARLO			
Cpe	6062	6122	6002
82 CHEVY MONTE CARLO			
Cpe	5051	5102	4999
83 CHEVY IMPALA			
Sdn	5659	5716	5604
82 CHEVY IMPALA			
Sdn	4558	4605	4515
Wgn 9	4736	4785	4688
83 CHEVY CAPRICE			
Sdn	6337	6398	6273
Sta Wag	6555	6619	6487
83 CHRYSLER			
E-Class Sdn	5515	5570	5461
82 CHRYSLER			
New Yorker Sdn	6771	6840	6704
83 DODGE OMNI			
4 Dr Cust	3501	3535	3466
82 DODGE OMNI			
4 Dr Cust	2675	2702	2647
83 DODGE ARIES			
Cpe	4112	4155	4073
82 DODGE ARIES			
Sdn	3157	3188	3125
83 DODGE DIPLOMAT			
Sln Sdn	4698	4744	4651
82 DODGE DIPLOMAT			
Sln Sdn	3799	3838	3762
83 FORD FAIRMONT			
Futura 6-Cyl Sdn 4 Dr	3972	4009	3930
82 FORD FAIRMONT			
Futura Sdn 4-Dr	3163	3195	3133
83 FORD MUSTANG			
L-Cpe 4	4431	4475	4386
82 FORD MUSTANG			
L-Cpe 4	3574	3613	3539
83 FORD LTD			
Sdn	4790	4838	4741
82 FORD LTD			
Sdn	4282	4321	4238
83 FORD ESCORT			
Htchbk 4 Dr	3451	3486	3416
83 FORD CROWN VIC			
Sdn	7125	7198	7052
82 FORD CROWN VIC			
Sdn	5616	5675	5560
83 FORD THUNDERBIRD			
Cpe	6440	6506	6377
82 FORD THUNDERBIRD			
Cpe	5068	5116	5017
83 LINCOLN CONTINENTAL			
Sdn	12163	12285	12042
Mark VI Cpe	12290	12411	12166
82 LINCOLN CONTINENTAL			
Sdn	10043	10142	9942
Mark VI Cpe	10248	10350	10147
83 MERCURY COUGAR			
Cpe	6557	6620	6492
82 MERCURY COUGAR			
GS Cpe	5111	5161	5062
83 MERCURY LYNX			
HtchBk 2-Dr	3399	3434	3336
83 MERCURY MARQUIS			
Sdn	4848	4898	4803
82 MERCURY MARQUIS			
Sdn	4988	5037	4935
Wgn-2S	5142	5193	5089
83 OLDS CIERA LS			
Cpe	5722	5780	5666
Sdn	5798	5855	5738
83 OLDS CUTLASS SUPREME			
Cpe	6318	6382	6254
Sdn	6142	6206	6083
82 OLDS CUTLASS SUPREME			
Sdn	5208	5258	5157
Cpe	5411	5466	5356
83 OLDS DELTA 88			
Sdn	6396	6459	6336
82 OLDS DELTA 88			
Sdn	4930	4979	4882
83 OLDS DELTA 98			
Sdn	8823	8911	8734
82 OLDS DELTA 98			
Sdn	7284	7362	7213
83 OLDS OMEGA			
Sdn	4510	4557	4467
82 OLDS OMEGA			
Sdn	3694	3732	3658
83 OLDS FIRENZA			
Sdn	4826	4875	4777
82 OLDS FIRENZA			
Sdn	3964	4004	3922
83 PLYMOUTH HORIZON			
4 Dr Htchbk	3406	3439	3371
83 PLYMOUTH RELIANT			
Cpe	4124	4165	4082
82 PLYMOUTH RELIANT			
Cpe	3147	3179	3114
83 PONTIAC FIREBIRD			
Cpe 8	6598	6664	6533
83 PONTIAC 6000			
Cpe	5607	5664	5551
Sdn	5685	5739	5625
82 PONTIAC 6000			
Cpe	4701	4747	4656
83 PONTIAC GRAND PRIX			
Cpe	6256	6318	6192
83 VOLKSWAGEN JETTA			
4 Dr Sdn	5277	5329	5223
82 VOLKSWAGEN JETTA			
4 Dr Sdn	4491	4535	4446
83 VOLKSWAGEN RABBIT			
2 Dr Htchbk	4166	4207	4125
82 VOLKSWAGEN RABBIT			
2-Dr Htchbk	3175	3206	3142
83 DATSUN			
Sentra 2 Dr Std Sdn	3633	3668	3596
Stanza Hbk 4 Dr Dlx	4950	5000	4899
82 DATSUN			
210 Std 2 Dr	2665	2691	2638
Sentra 2 Dr	3018	3048	2988
Stanza Hbk 4 Dr Dlx	4029	4069	3988
83 TOYOTA			
Corolla Sedan 2 Dr	4560	4606	4514
Celica St	6390	6454	6326
Camry	7221	7293	7149
82 TOYOTA			
Corolla 2 Dr Sdn	3725	3762	3689
Celica St Cpe	5351	5404	5297

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automotive FLEET

THE MANAGEMENT MAGAZINE FOR CAR AND LIGHT TRUCK FLEET OPERATORS

'86 FLEET INCENTIVES

Marketing Used Cars

Light-Truck Roundtable

SEPTEMBER 1985 VOL. 24, NO. 11

automotive FLEET®

**THE MANAGEMENT MAGAZINE FOR CAR
AND LIGHT TRUCK FLEET OPERATORS**

Influencing the management of 4,584,000 cars and 1,970,000 light trucks and vans in business, leasing, rental, utility, government, police, and taxi fleets.

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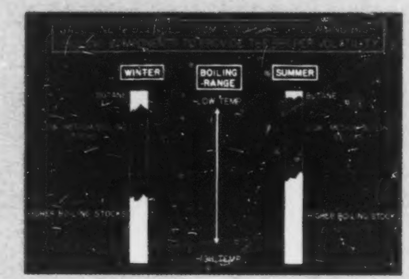

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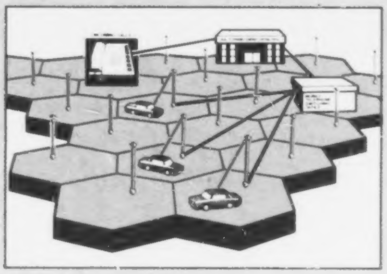

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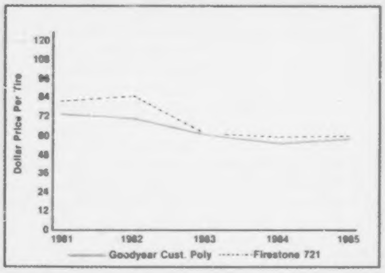

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On our cover: Downsized to the '85 C-body platform and with FWD for the first time, the Buick LeSabre (left) and Olds Delta 88 H-cars are among GM's major changelings for '86. But George Shane (left) and John Wellman — fleet sales heads for Buick and Olds, respectively — are confident one thing won't change: the cars' outstanding appeal to fleets.

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READER UPDATE

Calendar

SEPTEMBER

9-12 — National Association of Fleet Administrators' Automotive Systems and Maintenance Technologies, Course 80, Adam's Mark, Kansas City, MO.

12-15 — National Association of Fleet Resale Dealers First Annual Conference, Sheraton Park Place Hotel, Minneapolis, MN.

18-19 — National Association of Fleet Administrators' Advanced Fleet Management, Course 90, Radisson Plaza Hotel Charlotte, Charlotte, NC.

18-22 — National Auto Auction Association Annual Convention, Denver Marriott, City Center, Denver, CO.

19-21 — Automotive Fleet & Leasing Association Fall Conference, Pheasant Run, St. Charles, IL.

29-30 — American Automotive Leasing Association Mid-Year Meeting, Westin Hotel O'Hare, Chicago, IL.

OCTOBER

9-13 — International Taxicabs Association Annual Convention and Trade Show, Sheraton Harbor Island, San Diego, CA.

12-16 — International Association of Chiefs of Police Annual Conference, Astro Hall, Houston, TX.

23-26 — American Association of Equipment Lessors' 24th Annual Convention, Disneyland Hotel, Anaheim, CA.

27-Nov. 1 — Wharton Certified Fleet Manager Program, Course One, workshop developed by Wharton School of the University of Pennsylvania and the NAFA Foundation, Philadelphia, PA. For information: (215) 898-4595.

29-31 —NAFA's Basic Principles of Fleet Management, Course 100, Adam's Mark, Philadelphia, PA.

NOVEMBER

11-13 — **Limousine & Chauffeur** Limo Show and Conference, Caesar's Palace, Las Vegas, NV. For information: (213) 376-8788.

18-20 — Leasemark Lease Management Training Course, Embassy Suites Hotel, Wayne, PA. Information: (215) 827-7758.

Gas Prices

UNLEADED

City	Cost Per Gallon Unleaded Full-Serve	Self-Serve
Juneau, AK	164.0	152.4
Kingman, AZ	168.9	128.4
Denver, CO	151.3	124.0
Key West, FL	151.4	130.9
Minneapolis, MN	159.9	132.7
St. Louis, MO	138.1	114.6
Greenville, MS	148.9	128.9
Omaha, NE	148.4	129.9
Cincinnati, OH	146.7	118.2
Columbia, SC	149.0	121.4
Houston, TX	144.9	109.5
Arlington, VA	156.9	126.9
Yakima, WA	169.9	136.0

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Big Changes Are On The Way

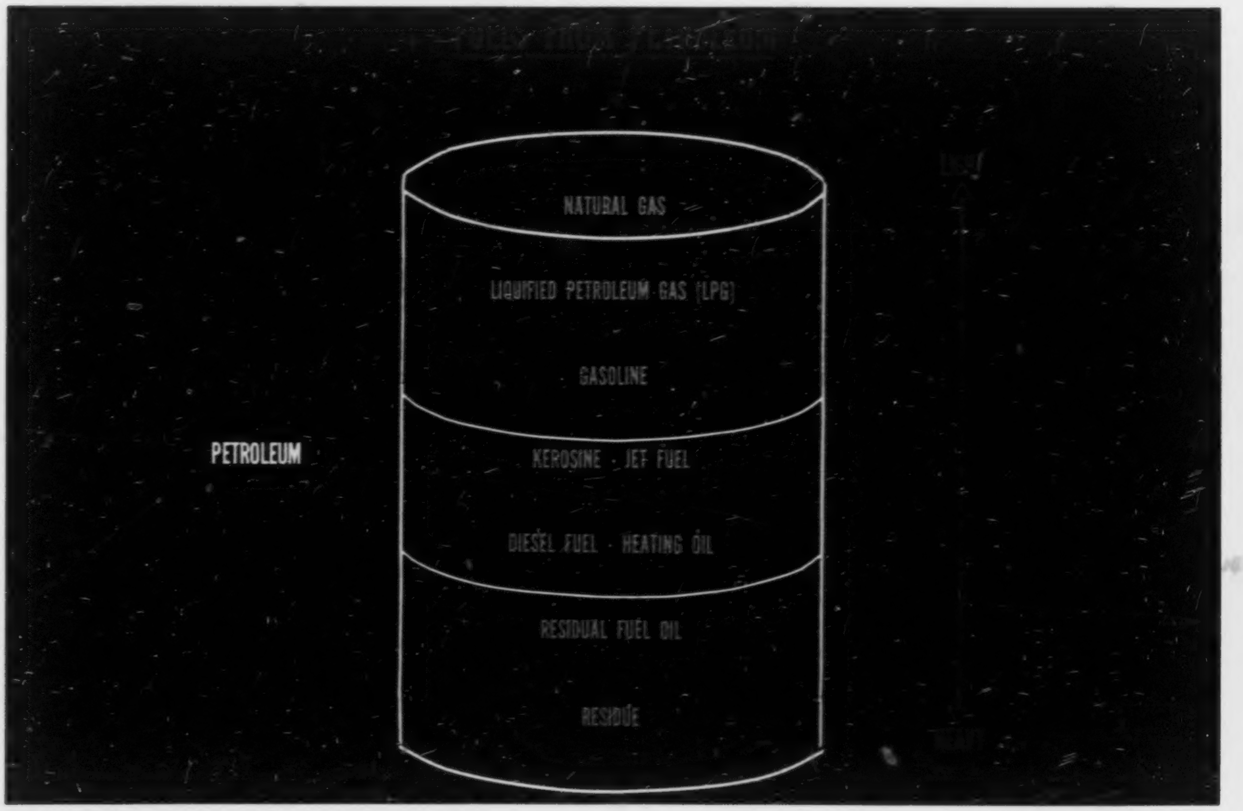
Gasolines For Today and Tomorrow

By Peter Dorn, PhD

Fuel — like every other aspect of the vehicle — is evolving. There are a number of grades of gasoline available today, plus a growing list of blending components and additives. What's more, you can expect to see even greater complexity in the future. As fleet managers, it's important for you to be ready for the fuels of the future in order to ensure maximum fleet performance and economy.

When crude oil arrives at a refinery, one of the first things that happens is the separation of its components by distillation, based on the boiling points of various components. The lighter components come off first and the heaviest components may boil over 700°F. The gasoline fraction, which distills at about 80-400°F, is a complex mixture of hundreds of compounds called hydrocarbons.

By definition, the octane number of a gasoline is a measure of its ability to prevent engine knock. It's typically measured as an average of the "research octane number" and the "motor octane number," and is


FUELS FROM PETROLEUM
PETROLEUM
NATURAL GAS
LIQUIFIED PETROLEUM GAS (LPG)
GASOLINE
KEROSINE - JET FUEL
DIESEL FUEL - HEATING OIL
RESIDUAL FUEL OIL
RESIDUE
LIGHT
HEAVY

"Roughly 38 percent of gasoline sold is leaded regular."

Gasoline Grades

1985	Leaded Regular	Unleaded Regular	Unleaded Premium
Octane, (R + M)/2	88-89	87	91-93
Market Share	38%	47%	15%
Customer Satisfaction	90%	75%	95%

1986

New Lead Phasedown Regulations

represented as (R+M)/2. These numbers, seen on gas pumps, represent two methods used to determine octanes in laboratory engines under different conditions.

Today we have three basic grades of gasoline in the marketplace: one leaded and two unleaded grades. Leaded regular generally has an octane number of 89 on the East Coast and 88 on the West Coast. As far as "satisfaction" goes — this means the number of cars that will be satisfied by being essentially knock-free — it's about 90 percent on the East Coast and 85 percent on the West Coast.

Roughly 38 percent of the gasoline sold today is leaded regular. The Environmental Protection Agency (EPA) claims that about 15 percent of the vehicles which should be using unleaded gasoline are actually misfueling and using leaded.

The most popular grade of gasoline today is unleaded, which began to be required in American cars in 1975. Unleaded currently has a 47 percent market share and about a 75 percent satisfaction rate. Fortunately, if you have problems with this grade you can move up to unleaded premium, where the octane may vary from about 91 to 93. Unleaded premium now has about a 15 percent market share and a satisfaction rate of better than 95 percent. However, the picture is changing because new EPA Lead Phasedown Regulations started to take place as of July 1.

For more than 60 years, lead has been used as an anti-knock compound in this country's gasolines and is the most effective such compound ever found. Ten years ago, we could use up to four grams of lead per gallon. In the mid-seventies, however, the EPA became concerned that lead pollutes the atmosphere and is harmful to the health of children. So the agency established a gradual phase-down. Until this summer, we could put a maximum of 1.1 grams of lead into each gallon of leaded gasoline.

This changed in July, when the allowable amount was further reduced to 0.5 gram. And by next January, we will be down to just 0.1 gram. That tenth of a gram will give little benefit in terms of octane. The EPA is allowing even that amount because older vehicles — those manufactured in '70 and before — were designed to run on leaded gasoline. Lead acts as a kind of lubricant, and some cars need a small amount of lead to protect the valves.

Some oil companies will be able to "bank" the amount of lead that they haven't used during '85, receiving credit for the amount of lead below the maximum limit.

By '88, all the lead credits will have been used up, and we'll again have three grades of gasoline. The first grade will probably be a sub-octane unleaded, with an octane number that could be as low as 85. Then we'll have a middle grade, which may or may not contain some

"...a tenth of a gram of lead is hardly worth the nuisance..."

lead, with an octane number somewhere between 88 and 89 — though a leaded grade with a tenth of a gram of lead is hardly worth the nuisance to produce. Finally, we will still have a super unleaded with an octane range of 90 to 92.

Unleaded is not necessarily cheaper. In unleaded, you use high octane blending components, usually obtained from gasoline by expensive processing. Xylene is one such example obtained by catalytic reforming. But you need to use a considerable volume of xylene to raise the octane to 89, perhaps a quart added to three gallons of gasoline. Isomerization is another example of processing. As more unleaded is being used, the oil industry searches for high octane blending agents.

Controversy Over Getting The Lead Out

According to the Environmental Protection Agency, the health hazards of lead far outweigh lead's benefits in providing valve lubrication and better engine performance. But while the EPA plan to do away with lead in gas will supposedly leave us healthier, many motorists will be stuck with the two major disadvantages of lead free gasoline: engine knock and engine wear.

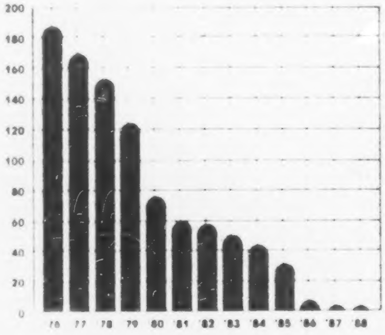
Engine knock occurs when the fuel-air mixture within the cylinder chamber of an auto engine undergoes spontaneous ignition. Using ultra-slow motion, scientists have discovered that when unburned fuel is pushed prematurely past its "ignition threshold" by pressure and heat, the fuel explodes. The sound waves ricochet off the cylinder wall and the hammering of the cylinder, the piston, and other components produces the vibrations the motorist hears. Not only is engine knock annoying, but the repeated vibrations put undue wear and tear on the powerplant. Engine knock also leads to lower fuel mileage and poor engine performance.

Traditionally, lead was added to gasoline because automakers found that lead can prevent the spontaneous ignition of fuel within the cylinder chamber. Lead also serves as a lubricant by coating and protecting engine valves. The use of anti knock leaded gasolines allowed automakers to manufacture better, peppier engines.

But, in 1974, the government forced refiners to reduce the lead content of gasoline in order to avoid damaging the pollution-control devices then being mandated for new cars. The automakers complied with the phase-down of lead by building engines that would run on unleaded gasoline. Cars built after 1970 and light trucks built after 1979 have improved metal alloy valves designed to operate on unleaded gas.

Still, as many as 40 percent of the vehicles on the road today were designed to run on leaded gas.

Lead Added to U.S. Gasoline
(In Thousands of Metric Tons)



Note: '86-'89 are projected and exclude adjustments for "banking" lead credits.
Source: *EPA*

With the reduction of lead to just 0.1 gram per gallon of gas by 1986, owners of older cars, trucks, and other vehicles are worried about excessive engine wear. And the possibility of a *complete* ban on lead in gasoline by 1988 has these owners worried even more.

While some studies show that damage occurs when older engines are run on unleaded gas, automakers differ on just how much lead is sufficient to prevent such damage. Ford Motor Co. considers 0.1 gram of lead per gallon enough protection. But Chrysler and General Motors maintain that the minimum amount of lead should be set between 0.2 grams and one gram per gallon.

Critics of lead reduction claim that older cars and trucks will break down prematurely. Their argument is that lab studies show valves in cars designed to use leaded gas wear out 10 to 20 times faster with unleaded gas. The problem is greatest when engines are run continuously at high speeds with revolutions exceeding 3,000 per minute.

Proponents of lead reduction, however, counter that the average vehicle does not reach 3,000 rpms without exceeding the speed limit. EPA analyst Joel Swartz notes that there is usually little added wear on engines that are run below 3,000 rpms. In addition, the U.S. Army and the Postal Service have switched their fleets of older vehicles to unleaded gasoline. None of these fleets have reported significant maintenance problems.

The lead phase-down will have other effects besides the problem of engine wear. The pump-price of regular unleaded gas may increase by three to four cents a gallon due to the new standards. Refiners say it's more expensive to produce lead-free gasoline because they're required to refine more crude, more intensively, in order to maintain the per-gallon octane rating. As a result, some smaller refineries may even be forced to close.

— Catherine G. Bruhn

Circle 114 on Inquiry Card→

"Volatility is important but much less understood..."

Oxygenates have been receiving much attention, and they will assume an important role in the future. Ethanol is probably the one that's most familiar. During the oil shortage, there was much attention to ethanol because it was a fuel extender made from renewable grain sources. Today it's used mostly in the Midwest, close to the grain supply. Ethanol really is more expensive than gasoline, though, and there's a limited quantity.

Another popular oxygenate is methyl tertiary butyl ether, or MTBE. It is made from methanol, which is wood alcohol, but is not an alcohol; it's an ether more closely resembling gasoline. Methanol will probably gain in popularity, especially as we enter an octane crunch. Today it can be made from natural gas, but eventually it may be made from coal. A fourth type of oxygenate which we may see in use today is tertiary butyl alcohol (TBA).

With ethanol and methanol you get almost a 3.5 number octane gain, which is pretty good; with MTBE, a 2.9 number gain in octane. Compare this to xylene, with a 2.0 number octane gain.

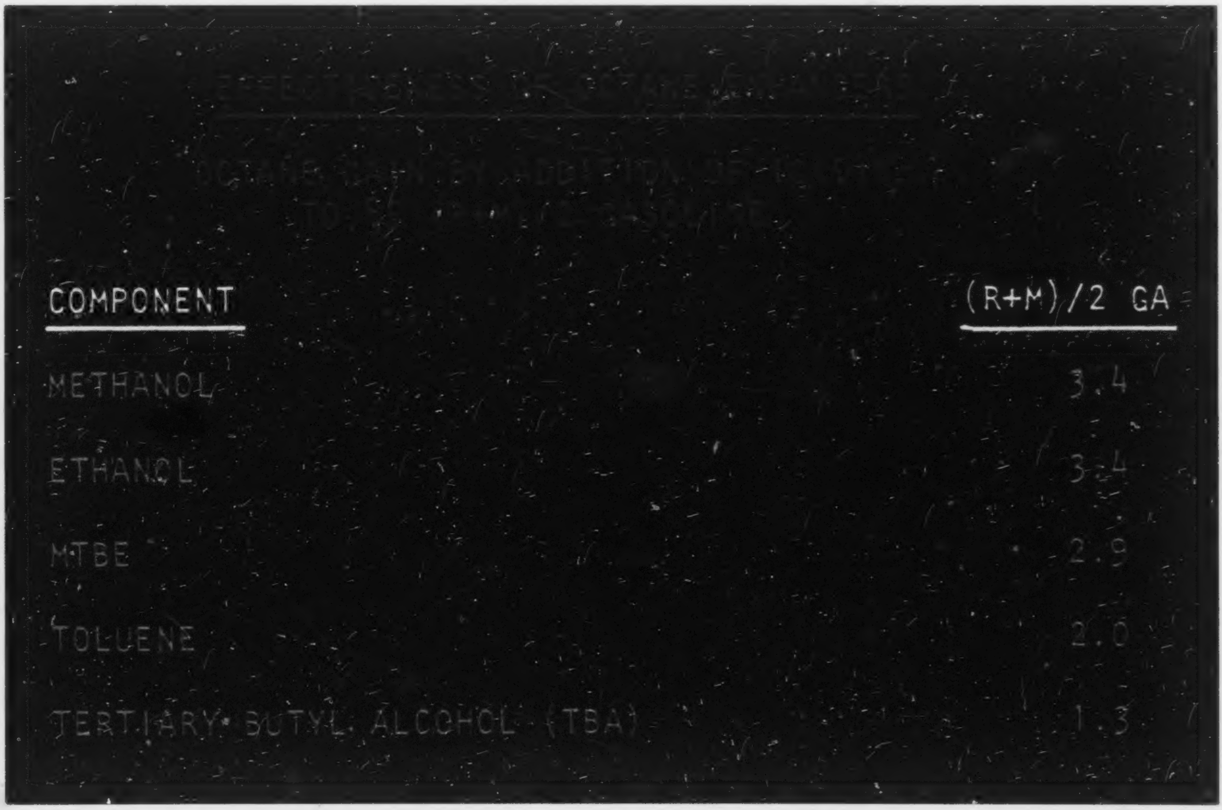
Under the Clean Air Act, the EPA will approve the use of certain oxygenates under what is called a "waiver," but companies must have a lot of data proving that emissions will not be increased. Thus, the EPA allows the use of some oxygenates including ethanol, MTBE, a combination of methanol and TBA, and TBA by itself.

Volatility is another important aspect of octane quality, but is much less understood and a lot more subtle than octane. Volatility is the measure of gasoline's tendency to change from a liquid to a vapor. The lower the boiling range temperature of a gasoline, the more volatile it is.

For a winter climate and with cold temperatures *and* a cold engine, gasoline should be volatile enough so that it vaporizes in the combustion chamber. To ensure that, the gas is blended with more low and medium temperature boiling stocks and less of the higher temperature boiling stocks. For warmer summer temperatures, gasoline is blended with more of the higher boiling stocks and less of the lower boiling ones. But you have to be careful, because if the gasoline is too volatile in the summer, you could wind up with vapor lock, with gasoline vapors in the carburetor or fuel lines, causing a loss of power and eventual stalling. Thus, volatility is a delicate balance between the proper ratio of high and low boiling stocks. Most refiners change their blending components on a monthly or semimonthly basis, depending on the geographic area and the month of the year.

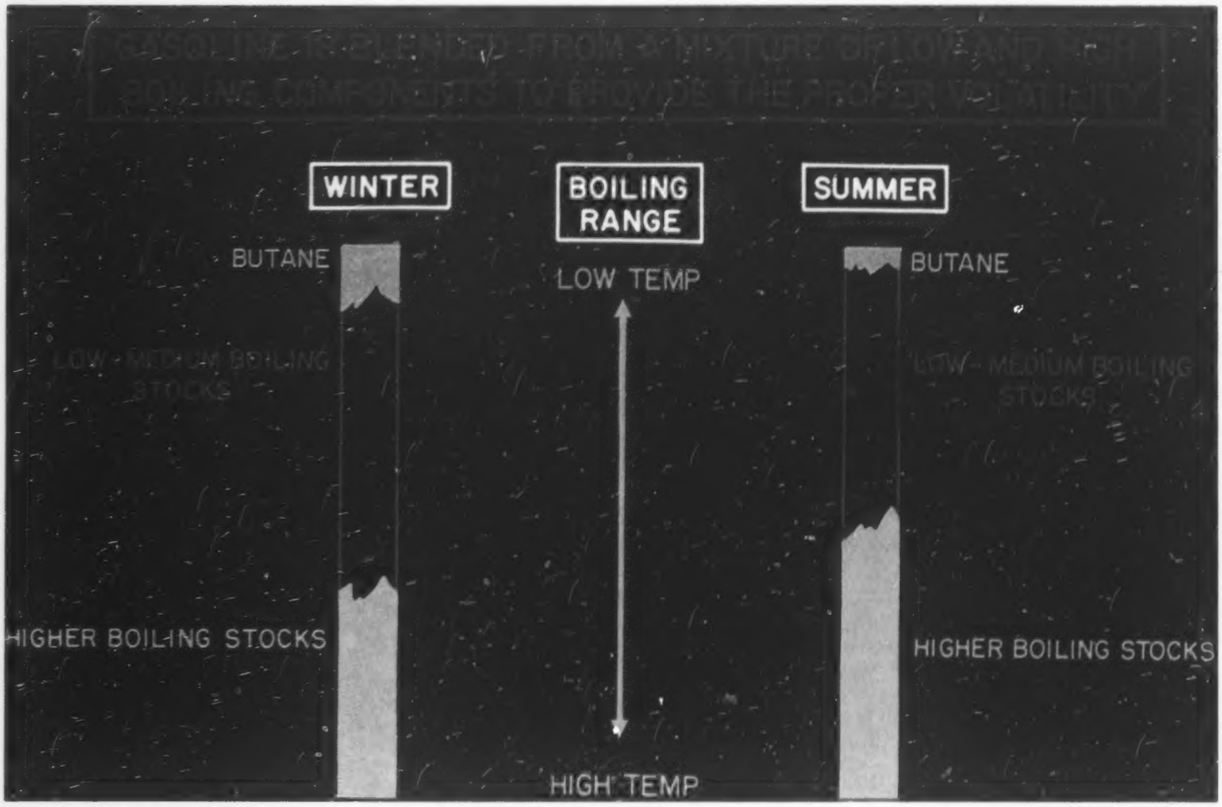
There is no question that alcohols are excellent for octane — ethanol and methanol are especially useful for increasing octane. But these octanes can also increase the volatility of the gasoline. If the gasoline is carefully blended, though, there shouldn't be any problem.

Gasoline emissions are another matter. Since alcohol can make



COMPONENT	(R+M)/2 GA
METHANOL	3.4
ETHANOL	3.4
MTBE	2.9
TOLUENE	2.0
TERTIARY BUTYL ALCOHOL (TBA)	1.3

"...methanol is the fuel of the future..."


GASOLINE IS BLENDED FROM A MIXTURE OF LOW AND HIGH BOILING COMPONENTS TO PROVIDE THE PROPER VOLATILITY
WINTER
BOILING RANGE
SUMMER
BUTANE
LOW TEMP
BUTANE
LOW - MEDIUM BOILING STOCKS
LOW - MEDIUM BOILING STOCKS
HIGHER BOILING STOCKS
HIGHER BOILING STOCKS
HIGH TEMP

gasoline more volatile, vapors can evaporate more readily from the fuel lines, the carburetor, and the gas tank when a hot engine is turned off. Most newer cars have charcoal canisters to absorb these vapors. But the EPA is still concerned because of the resultant atmospheric pollution.

Alcohol has a lower BTU content (energy content) than gasoline, so it may decrease fuel economy — perhaps by as much as three percent. And, since methanol and alcohol cause the engine to operate cooler, it could affect driveability. Overall, most of the problems tend to be worse with methanol than with alcohol. But even with some of the problems associated with alcohol use, methanol is, in my opinion, the fuel of the future. It now can be blended into gasoline with cosolvent alcohols and eventually it could be used as a neat fuel, in specially designed cars when our gasoline supply is exhausted.

Additives are another important aspect of gasoline quality. These most often used additives are:

- Dyes. They identify gasoline and prevent misuse.
- Metal Deactivators. Certain metals in trace amounts in gasoline, accelerate gum formation. Metal deactivators are added to tie-up the metal and render it harmless.
- Antioxidants. Gasolines, when stored in the presence of air, will oxidize and form gums. Antioxidants prevent this and enable us to store gasolines for well over a year.
- Corrosion Inhibitors. In the presence of water, carburetor metal and terne plate (which is used in gas tanks) can corrode. Small amounts of corrosion inhibitors protect these and other metal surfaces.
- Carburetor Detergents. Deposits can form in the throttle body area and these can effect proper operation during idle. Rough idling can result and emissions may increase. Detergents can minimize deposit build-up.

There are also additives that can control deposit formation in other engine parts, such as in the combustion chamber and on intake valves.

In summary, octane and volatility are the two most important gasoline characteristics that relate to performance.

The addition of certain alcohols, as octane blending agents, can affect these properties. In the future, we can expect to see greater use of methanol as a blending agent due to the virtual elimination of lead.

Additives also enhance the quality of gasoline. Some, such as antioxidants, are essential; others, such as carburetor detergents, are more subtle in their effect but should be present in all good quality gasolines.

This article is adapted from a seminar presented by Peter Dorn at June's NAFA convention in Boston. Holder of a doctorate in organic chemistry from the University of Kansas, Dorn is a technologist in the fuel development section at the Texaco Research Center in Beacon, NY. AF

Good News for Fleet Managers

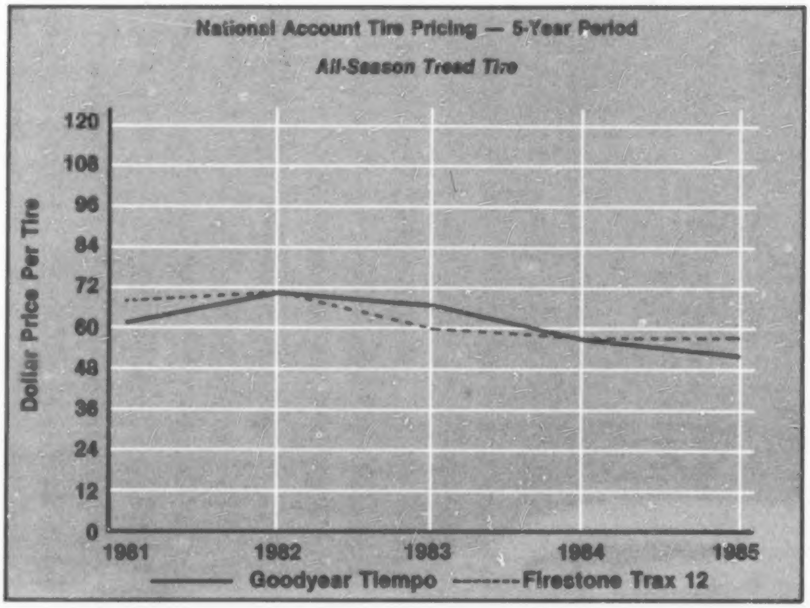
Why Tire Costs Continue To Decline

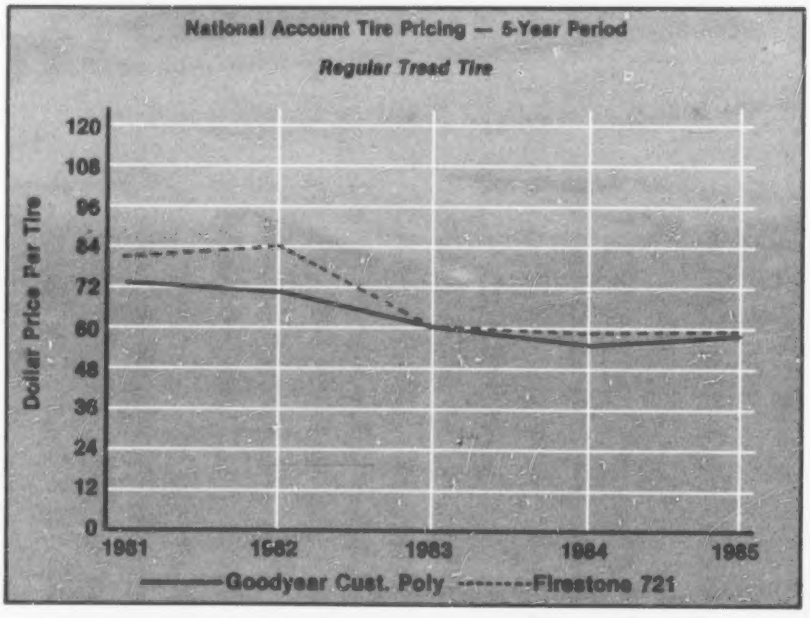
Over the last decade and a half, few aspects of the vehicle have been improved more radically than tires. Technological advances in areas such as compounds, construction, and tread design have resulted in better traction, improved fuel economy, and longer life. Today's tires are built to last up to 40,000 miles — over just about every kind of road condition imaginable.

For fleet managers, these improvements have presented a significant opportunity to reduce costs. Of course, such reductions also depend on the elimination of the leading causes of tire abuse. (Those include improper alignment, which can usually be corrected with a series of adjustments to steering and suspension components; imbalance, often the result of running into curbs and speeding over bumps; incorrect tire pressure; vehicle overloading; and just plain old poor driving habits.)

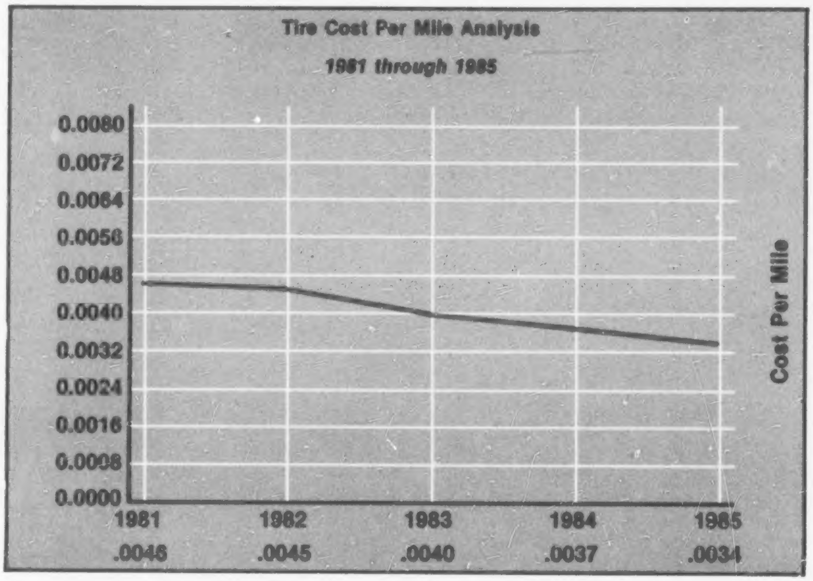
To help managers dissect trends and anticipate future developments in the tire field, Gelco Fleet and Management Services Co. recently provided *Automotive Fleet* with inhouse information based on records from more than 170 of its fleet-accounts. The material from Gelco — a leading vehicle lessor with some 270,000 cars and trucks on lease — ranges from a tire cost-per-mile analysis to national account pricing trends for several major tire brands.

"Managing tire expense in the '80s should continue to be rewarding," says Loren Rodvold, vice president of service operations for the Minnesota-based lessor. "It's definitely the one area of vehicle expense that probably is most immune





“ ‘...a continuation of more dramatic price decreases...’ ”



to increases each year. In fact, tire expense can reasonably be expected to stay level or even decrease.

“Gelco accumulates data on nearly 75,000 vehicles in our maintenance management program, and consequently purchases over 100,000 tires a year for our clients,” Rodvold continues. “Based on this volume of purchasing, we can see some definite trends in terms of pricing, tire life, and resulting expense in terms of cost per mile.”

According to the Gelco figures, national account tire pricing shows a modest decline over the past two years. This downward trend seems to be a continuation of more dramatic price decreases that were seen beginning in 1982 (and, for some brands, in previous years).

Looking at prices for an all-season Goodyear Tiempo, for example, we note that the tire jumped from a cost of $61.43 in 1981 to $70.49 in 1982. Then, however, it began a decline to $66.97 in 1983, $56.50 in 1984, and $52.20 in 1985. Movement was somewhat similar with the Firestone Trax 12 brand. That all-season tire cost $68.09 in 1981 and $70.83 in 1982, then fell to $60.27 in 1983 and $57.26 in 1984 before rising slightly in 1985 to $57.72.

The story has been much the same with regular-tread tires. Goodyear's Custom Polysteel, for instance, peaked for the five-year period at $73.36 in 1981. Then it fell to $70.49 in 1982, $60.27 in 1983, and $54.95 in 1984, before rising slightly to $57.73 in 1985. Meanwhile, Firestone's regular-tread 721 cost $81.11 in 1981 and $84.36 in 1982. Then came a decline to $60.49 in 1983 and $58.50 in 1984 before a small rise to $59.39 this year.

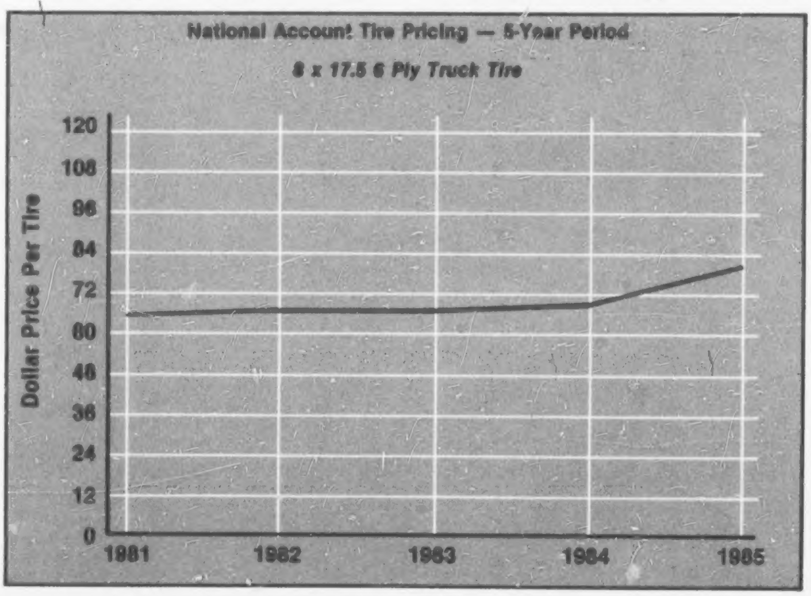
“According to the major tire manufacturers, tire costs will probably continue to be stable,” Rodvold comments. “While one factor in tire pricing is the relative competitiveness of the marketplace, including some fairly visible Japanese tire makers, unit pricing is also a function of better and better technology. This constant process of refining the manufacturing of tires results in lower production costs and longer-wearing tires.

“For the consumer — including fleets — this has contributed to lower costs per mile.”

Using Gelco's statistics, tire costs per mile have indeed declined significantly over the past five years. In 1981, the cents-per-mile figure was .46 cents; that fell slightly to .45 cents in 1982, and even more substantially to .40 cents in 1983. The 1984 figure was .37 cents and, in 1985, just .34 cents-per-mile.

What are the reasons for that welcome trend?

“In addition to lower unit prices on tires, other well known factors contribute to minimizing tire cost per mile,” Rodvold explains. “The move to more front-wheel-drive vehicles has been significant, and, for the most part, only two (replacement) tires will be purchased over the vehicle life as opposed to four



Though the overall truck-tire market is relatively still, there's a lot of movement in certain segments. And according to Lori Wiese, managing editor of *Modern Tire Dealer*, one of those healthy segments is light-truck tires. Reports Ms. Wiese:

The light-truck tire market is up for a number of reasons. In fact, David Erickson, product manager of marketing for passenger and light-truck tires at GenCorp., terms it the fastest growing segment of the truck-tire market. And according to Erickson, one reason is that light trucks are becoming more "socially acceptable."

Indeed, the customers of light-truck tires can be placed into three categories, says Hal Worsham, Dunlop Tire and Rubber product manager for passenger, light-truck, and medium-truck tires. Customers are the commercial consumer who uses a light truck or van for work, the rugged back-country woodsman who is interested in recreational use of the vehicles, and the affluent suburbanite, or Yuppie, who since the demise of the station wagon has turned to the more fashionable Blazer-type vehicle or the minivan as a prestige item as well as for a useful vehicle for light hauling.

Estimated Brand Shares of the Light-Truck Tire Replacement Market

(Up to and including 8.25-20)

	1981	1982	1983	1984	1985
Goodyear	14%	14%	14%	14%	14%
Firestone	10%	10%	12%	12%	12%
Kelly-Springfield	10%	10%	10%	10%	11%
BF Goodrich	6%	5%	6%	8%	9%
Armstrong	6%	6%	7%	7%	7.5%
Michelin	3%	6%	6%	6%	6%
Sears	8%	7%	6%	6%	6%
Cooper	6%	6%	6%	4%	4.2%
Dunlop	4%	4%	5%	4%	5%
General	7%	7%	7%	4%	4%
Lee	4%	4%	4%	4%	4%
Uniroyal	5%	5%	4%	4%	4%
Multi-Mile/Cordovan	3%	3%	3%	3%	3%
Dayton	2%	2%	2%	2%	2%
Montgomery Ward	2%	2%	2%	2%	2%
Bridgestone	2%	2%	2%	1%	1.5%
Others	8%	7%	4%	9%	4.8%

Source: *Modern Tire Dealer*

It seems the Yuppie generation is having an effect not only on performance tire sales, but on light-truck tire sales as well. "At one time, light trucks had an image of being a farmer's vehicle," says Joe Glavitsch, product manager for light-truck tires with the BFGoodrich Tire Group. "That perception was never true, and it's not true now."

Glavitsch recounts the results of a government study that found that from 63 to 65 percent of all light trucks purchased went for personal use. A look at light-truck advertisements in major consumer magazines finds the vehicles equipped with such luxury items as air conditioning, stereos, and fancy paint jobs. To go with all that are raised white letters on the "upgraded" light-truck tires. "It's a function of the vehicle's styling," notes Worsham. "Tires add to the total good looks."

"By far, most light trucks come OE with passenger tires," says Harry Wylie, manager of product planning for Uniroyal Tire. "But that tide is changing."

Tom Selden, merchandising and marketing manager of light-truck tires for Firestone Tire and Rubber, echoes that fact, placing the percentage of light trucks equipped with OE passenger tires between two-thirds and three-quarters. But he adds that at replacement time people are stepping up to light-truck tires to get more aggressive treads, more flotation ability, and more load-handling capability.

People turn to light-truck tires as an upscale option, Worsham adds, and equip their cars with tires able to handle off-road conditions. "There is an increased number of buyers who are looking for a 'fun' vehicle," says Kevin Gilhuly, product manager for passenger and truck tires for Armstrong Tire and Rubber.

The light-truck market is the least "radialized" of all segments, according to Alex Jankowsky, corporate sales manager of Michelin Tire. In fact, *Modern Tire Dealer* statistics show 30 percent radials at the replacement end of the light-truck tire segment. According to Selden, this year the percentage of radials will edge up closer to 35 percent, with an increase of five points a year, reaching more than 50 percent in five years.

Some companies are working on the problem of the cost jump from bias to radials. Uniroyal, for example, is introducing a tire for commercial applications called the Steelmaster. "The idea was to move the commercial user to radial tires without a price jump to a premium tire, while still offering radial advantages such as long tread life and penetration resistance," says Wylie.

> **“ ‘The move to front-wheel-drive has been significant...’ ”**

on a rear-wheel-drive vehicle.

“Improved traction and driveability in front-wheel-drive vehicles has greatly diminished the need for snow tires, except for the most severe snow areas,” Rodvold goes on. “This improved driveability is also a function of the number of vehicles that now have all-season tires as original equipment.”

One tire that seems to be bucking the downward price spiral is the conventional belted brand utilized on many of Gelco's vans and light trucks. In 1981, the national account price for that tire was $64.65. Since then the price has increased rather than declined, however, costing $66.55 in 1982, $66.70 in 1983, $68.52 in 1984, and $80.07 this year.

That increase has come mainly because domestic manufacturers have been forced to position their prices more closely with the foreign makers than they had in the past, Rodvold says. Consequently, they've raised prices for the conventional belteds and decreased prices for the radial steels in order to encourage the sale of radials on light trucks.

It's crucial to recognize that tire expense is no different than regular maintenance expense in that *both* expense categories require preventive care, Gelco stresses. “Our operating guidelines for maintenance clients are based on preventive maintenance accounting for 25 percent of our total repair costs,” Rodvold discloses. “If we are able to sustain this minimum level of preventive maintenance definition, we are then minimizing major component failure — the most expensive type of repair.

“The same principle applies to tires. For instance, if a driver does adhere to a preventive maintenance schedule, our mechanical people in the maintenance control center get an additional opportunity to have the tires, shocks, and alignment checked, at least by visual inspection. Not the least of that inspection is checking inflation, a fundamental aspect of premature tire wear.”

“Practically speaking, preventing premature tire wear is a function of the number of times a given vehicle is captured for service work,” Rodvold concludes. “If a driver simply follows the 7,500-mile schedule as outlined in the owner's manual for most new vehicles, that schedule translates to a service stop 1.2 times for each 10,000 miles driven. Over the life of an average fleet vehicle, then, our maintenance people get between six and seven opportunities to check for premature tire wear.

“That means we can then prevent many costly replacements.”

And that, in turn, can help assure that tire costs overall continue to decline. AF

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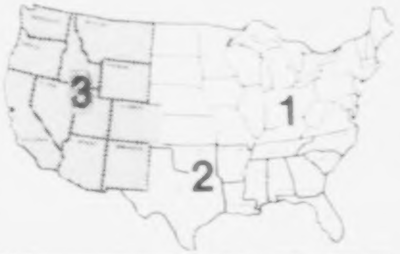

The following are average car prices for the period ending August 7, 1985. Prices are based on wholesale activity at major dealer auctions across the country. They are divided into three zones as indicated on the accompanying map. These averages are calculated electronically on IBM machines. They are based on clean cars only. Proper allowance should be made for upgrading sharp cars and proper deduction taken for fair cars. Automatic transmissions have been included in the averages of all models. This information is published in *Automotive Fleet* by special permission of Automotive Market Report.

	AVERAGE AUCTION PRICE		
Model	Zone 1	Zone 2	Zone 3
83 AMC ALLIANCE			
Sdn 4DR L Series	4719	4767	4673
83 AMC CONCORD			
Sdn	3924	3960	3885
Sta Wgn	4142	4186	4100
83 BUICK SKYLARK			
Sdn Custom	4465	4511	4423
82 BUICK SKYLARK			
Sdn	3658	3694	3622
83 BUICK REGAL			
Sdn	5819	5879	5761
Cpe	5982	6040	5923
82 BUICK REGAL			
Turbo Cpe	5348	5401	5292
Cpe	5179	5231	5126
83 BUICK CENTURY			
Sdn Custom	5748	5804	5688
82 BUICK CENTURY			
Sdn Custom	4877	4924	4828
83 CADILLAC			
Cpe DeVille	10035	10136	9936
Sdn DeVille	9977	10078	9976
82 CADILLAC			
Cpe DeVille	8262	8340	8175
Sdn DeVille	8208	8290	8128
83 CHEVY			
Chvt Htchbk 4-Dr	2734	2763	2710
Camaro Cpe 8	6445	6508	6381
82 CHEVY			
Chvt Htchbk 4-Dr	2167	2188	2145
Camaro Cpe 8	5570	5623	5512
83 CHEVY CELEBRITY			
Sdn	5370	5421	5312
82 CHEVY CELEBRITY			
Sdn	4508	4550	4462
83 CHEVY CAVALIER			
Sdn	4516	4562	4469
82 CHEVY CAVALIER			
Sdn	3266	3298	3233
83 CHEVY CITATION			
Cpe 6	3599	3635	3561
82 CHEVY CITATION			
Cpe 6	2787	2816	2756
83 CHEVY MALIBU			
Clas Sdn	5291	5344	5239
Clas Sta Wgn	5508	5562	5451
82 CHEVY MALIBU			
Clas Sdn	4424	4468	4380
Clas Sta Wag	4618	4662	4570
83 CHEVY MONTE CARLO			
Cpe	6002	6061	5942
82 CHEVY MONTE CARLO			
Cpe	5036	5087	4984
83 CHEVY IMPALA			
Sdn	5602	5659	5548
82 CHEVY IMPALA			
Sdn	4512	4559	4470
Wgn 9	4689	4737	4641
83 CHEVY CAPRICE			
Sdn	6274	6334	6210
Sta Wag	6489	6553	6422
83 CHRYSLER			
E-Class Sdn	5432	5487	5380
82 CHRYSLER			
New Yorker Sdn	6657	6724	6590
83 DODGE OMNI			
4 Dr Cust	3448	3482	3415
82 DODGE OMNI			
4 Dr Cust	2622	2648	2595
83 DODGE ARIES			
Cpe	4050	4093	4012
82 DODGE ARIES			
Sdn	3110	3140	3078
83 DODGE DIPLOMAT			
Sln Sdn	4605	4649	4559
82 DODGE DIPLOMAT			
Sln Sdn	3723	3762	3687
83 FORD FAIRMONT			
Futura 6-Cyl Sdn 4 Dr	3912	3949	3871
82 FORD FAIRMONT			
Futura Sdn 4-Dr	2507	2530	2482
83 FORD MUSTANG			
L-Cpe 4	4343	4386	4299
82 FORD MUSTANG			
L-Cpe 4	3503	3541	3469
83 FORD LTD			
Sdn	4695	4742	4647
82 FORD LTD			
Sdn	4682	4731	4634
83 FORD ESCORT			
Htchbk 4 Dr	3382	3416	3348
83 FORD CROWN VIC			
Sdn	7054	7126	6982
82 FORD CROWN VIC			
Sdn	5543	5601	5488
83 FORD THUNDERBIRD			
Cpe	6376	6441	6313
82 FORD THUNDERBIRD			
Cpe	5028	5075	4977
83 LINCOLN CONTINENTAL			
Sdn	12127	12248	12006
Mark VI Cpe	12253	12374	12130
82 LINCOLN CONTINENTAL			
Sdn	9983	10082	9882
Mark VI Cpe	10186	10288	10087
83 MERCURY COUGAR			
Cpe	6491	6554	6428
82 MERCURY COUGAR			
GS Cpe	3736	3772	3696
83 MERCURY LYNX			
HtchBk 2-Dr	3331	3366	3299
83 MERCURY MARQUIS			
Sdn	4752	4801	4707
82 MERCURY MARQUIS			
Sdn	4928	4977	4876
Wgn 2S	5081	5131	5028
83 OLDS CIERA LS			
Cpe	5665	5722	5609
Sdn	5740	5797	5681
83 OLDS CUTLASS SUPREME			
Cpe	6286	6350	6223
Sdn	6111	6175	6053
82 OLDS CUTLASS SUPREME			
Sdn	7321	7396	7247
Cpe	7516	7590	7439
83 OLDS DELTA 88			
Sdn	6313	6376	6254
82 OLDS DELTA 88			
Sdn	4856	4904	4809
83 OLDS DELTA 98			
Sdn	8709	8795	8621
82 OLDS DELTA 98			
Sdn	7176	7252	7105
83 OLDS OMEGA			
Sdn	4465	4511	4423
82 OLDS OMEGA			
Sdn	3658	3694	3622
83 OLDS FIRENZA			
Sdn	4754	4802	4705
82 OLDS FIRENZA			
Sdn	3924	3964	3882
83 PLYMOUTH HORIZON			
4 Dr Htchbk	3355	3388	3320
83 PLYMOUTH RELIANT			
Cpe	4062	4103	4021
82 PLYMOUTH RELIANT			
Cpe	3100	3131	3067
83 PONTIAC FIREBIRD			
Cpe 8	6512	6578	6448
83 PONTIAC 6000			
Cpe	5495	5551	5440
Sdn	5572	5624	5513
82 PONTIAC 6000			
Cpe	4645	4691	4601
83 PONTIAC GRAND PRIX			
Cpe	6194	6255	6130
83 VOLKSWAGEN JETTA			
4 Dr Sdn	5196	5274	5143
82 VOLKSWAGEN JETTA			
4 Dr Sdn	4408	4452	4363
83 VOLKSWAGEN L SERIES			
2 Dr Htchbk	3996	4035	3956
82 VOLKSWAGEN RABBIT			
2 Dr Htchbk	2359	2384	2337
83 DATSUN			
Sentra 2 Dr Std Sdn	3523	3558	3448
Stanza Hbk 4 Dr Dlx	4801	4849	4753
82 DATSUN			
210 Std 2 Dr	2582	2608	2556
Stanza Hbk 4 Dr Dlx	2924	2954	2895
83 TOYOTA			
Corolla Sedan 2 Dr	4351	4394	4307
Celica St	6259	6321	6196
Camry Sedan	7072	7143	7001
82 TOYOTA			
Corolla 2 Dr Sdn	3554	3589	3519
Celica St Cpe	5083	5134	5032

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automotive FLEET

THE MANAGEMENT MAGAZINE FOR CAR
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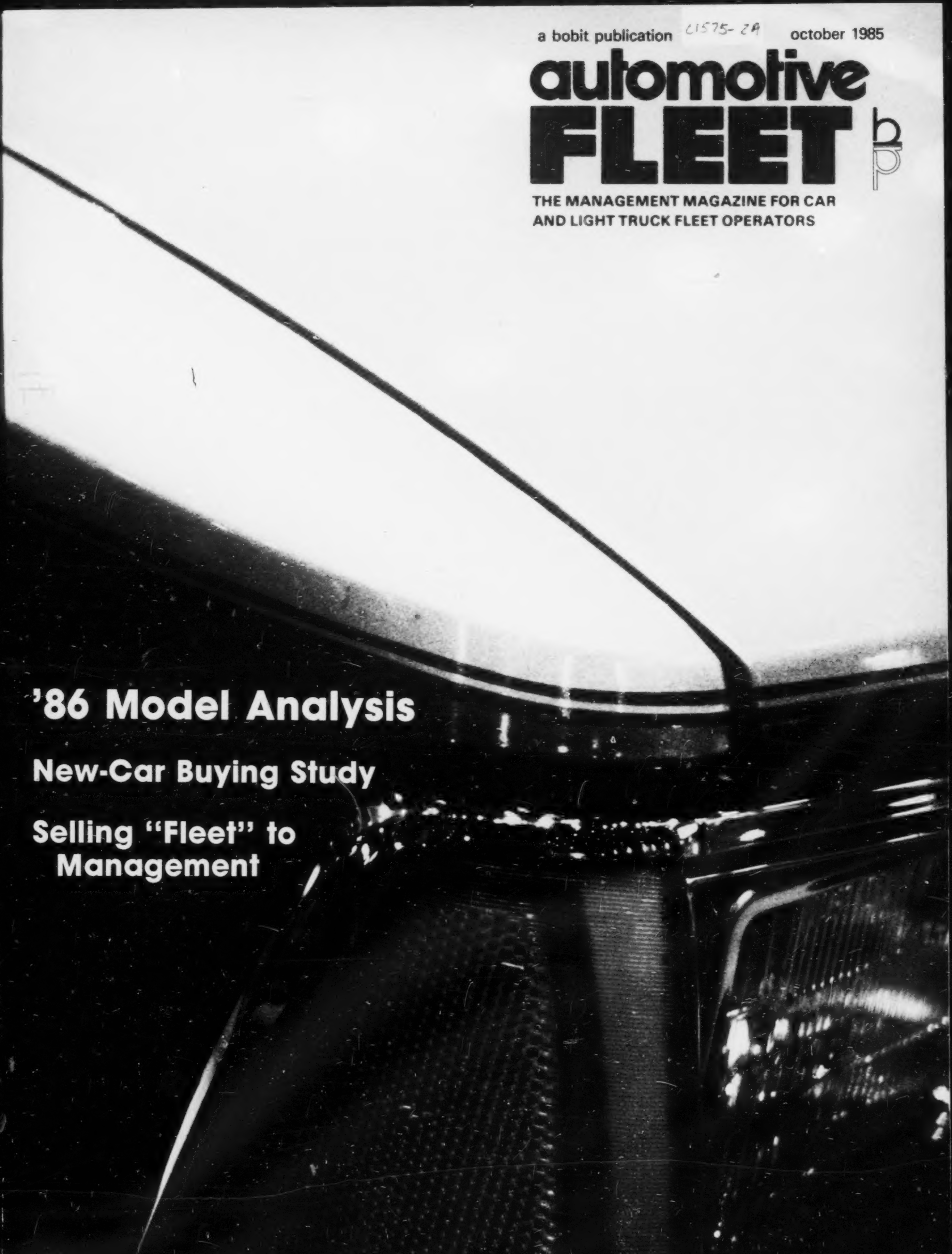

'86 Model Analysis

New-Car Buying Study

Selling "Fleet" to Management

OCTOBER 1985 VOL. 24, NO. 12

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**THE MANAGEMENT MAGAZINE FOR CAR
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Influencing the management of 4,584,000 cars and 1,970,000 light trucks and vans in business, leasing, rental, utility, government, police, and taxi fleets.

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The 1986 Model Year p. 38

A Fast-Change Oil Service Means Slick Savings for Fleets p. 59

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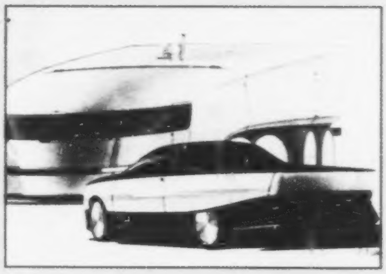

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On our cover: With automakers working hard to satisfy consumer preference — as well as federal fuel economy standards — fleet managers can look for sleeker, more aerodynamic styling on many of the '86 cars. That's evident in this month's striking cover photo, provided courtesy of PPG Industries.

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Calendar

OCTOBER

9-13 — International Taxicabs Association Annual Convention and Trade Show, Sheraton Harbor Island, San Diego, CA

10 — National Vehicle Leasing Association's Negotiation Skills Seminar, Hyatt Regency O'Hare, Chicago, IL. Information: (213) 477-4287.

10-11 — Buzz Doering Automobile Leasing Seminar, Airport Marriott, Atlanta, GA. Information: (414) 367-6700.

12-16 — International Association of Chiefs of Police Annual Conference, Astro Hall, Houston, TX

14 — Institute of Traffic and Transportation seminar on Transportation Leasing & Contracts, Best Western (El Rancho Inn), San Francisco, CA. Information: (216) 234-6290.

15-16 — Automotive Fleet Administration seminar sponsored by the University of California Institute of Transportation Studies, The Stardust Hotel, San Diego, CA. Info: (415) 642-4111.

16 — LeaseTrack's Auto Lease Sales Training Seminar, Howard Johnson's Motor Lodge, Portsmouth, NH. Information: (617) 964-5196.

23-26 — American Association of Equipment Lessors' 24th Annual Convention, Disneyland Hotel, Anaheim, CA.

28-31 — National Safety Council's 73rd Annual National Safety Congress and Exposition, New Orleans, LA. Information (312) 527-4800.

NOVEMBER

11-13 — *Limousine & Chauffeur* Limo Show and Conference, Caesars Palace, Las Vegas, NV. Information: (213) 376-8788.

12-14 — National Association of Fleet Administrators' Basic Principles of Fleet Management, Course 110, Phoenix Hilton, Phoenix, AZ.

DECEMBER

9-11 — *Limousine & Chauffeur* Limo Show and Conference, Harrah's Trump Plaza, Atlantic City, NJ.

Gas Prices

UNLEADED

City	Cost Per Gallon Unleaded Full-Serve	Self-Serve
Birmingham, AL	146.4	115.9
Flagstaff, AZ	154.4	135.4
Oakland, CA	159.2	119.9
New Haven, CT	144.9	126.9
Washington, D.C.	147.3	120.5
Atlanta, GA	148.2	119.0
Des Moines, IA	148.0	132.0
Joliet, IL	155.4	126.4
Wichita, KS	146.9	121.2
Buzzards Bay, MA	121.9	106.9
Wilmington, NC	130.4	116.4
Rochester, NY	127.4	121.6
Philadelphia, PA	136.0	118.0

Survey conducted during the first five working days of September, 1985. Supplied by Runzheimer International, Runzheimer Park, Rochester, WI.

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LATE NEWS UPDATE

Hotline

BIGGER CHRYSLERS...could be on the market by late '88 or mid-year '89. According to a report in Motor *magazine, the upsized vehicles will feature front-wheel-drive and seating for six passengers. Unlike Ford and GM, Chrysler can afford to go bigger because of its healthy bank of CAFE mileage credits.*

LAST MONTH WE NOTED...that GM market share had shrunk from 46 percent in 1980 to some 42 percent in '85. Undaunted, GM Chairman Roger Smith is now predicting a "substantial" increase in the firm's '86 share due to the popularity of new models like the Pontiac Grand Am sedan, the FWD Buick LeSabre, and the redesigned Cadillac Seville. GM's '85 losses can be traced to UAW strikes and plant shutdowns due to model changeovers, Smith claims. He adds that overall U.S. sales could reach 15.4 million units this year.

A USED-CAR DEALER...in East Greenwich, RI, has been hit with a substantial penalty for odometer-tampering. Emilio DiSanto, 47, was fined $260,000 and sentenced to four years in prison by U.S. District Judge Francis Boyle. DiSanto had been indicted a year ago on 38 counts of tampering, pleading guilty to seven. One of DiSanto's former employees drew an additional fine of $25,000 and an 18-month prison term.

COMPLICATING THE PROBLEM...of high premiums, daily rental firms have a new insurance worry: the possibility of lawsuits resulting when customers drive drunk. In a case with sobering implications for rental operators everywhere, the family of a 30-year-old man who was killed in a Virginia car accident by the intoxicated driver of a Hertz rental won $637,500 from Hertz, the driver, and his employer, California's Polaris Aircraft. A $100,000 insurance policy that was part of the driver's rental contract with Hertz reportedly will go toward the settlement.

1986 AMC/Jeep Fleet Allowance Programs

VEHICLE	FLEET ALLOWANCE PER UNIT
AMC	
Eagle Series 30	Factory Air Conditioning and/or Automatic Transmission At No Charge
Jeep	
CJ-7	$ 200
Comanche	$ 300
Cherokee	$ 700
Wagoneer	$ 700
J-10/J-20 Trucks	$1000
Grand Wagoneer*	$ 0 — Units 1 thru 4 $ 500 — Units 5 thru 9, retroactive $2000 — Units 10 or more, retroactive

*Grand Wagoneer allowances not available for Employee-Owned Program.

REVENUES FROM VEHICLE LEASING AND RENTAL...soared 10.8 percent in '84 to a record $44.78 billion, and total units in service edged up 1.8 percent to an annual high of 6,249,000. That's the word from Hertz Corp., whose annual industry estimate also shows rental cars in service climbing to 610,000 units in '84, up 16.2 percent from '83. New cars and trucks entering lease-rental service were also up 2 percent from '83 to 1,903,000 in '84. Other key findings: the share of new lease-rental vehicle sales compared to total new car and truck sales has grown from less than 1 percent in 1950 to 14 percent last year.

Trends in Car/Truck Leasing and Rental

SEGMENT	1984	1983	1974
Car Leasing			
Units in Service:	4,567,000	4,559,000	3,686,000
Revenues:	$27,309,000,000	$24,430,000,000	$7,454,000,000
(Individual leases:	1,556,000	1,653,000	1,008,000)
Car Rental			
Units in Service:	610,000	525,000	361,000
Revenues:	$4,450,000,000	$4,010,000,000	$1,396,000,000
Truck Leasing			
Units in Service:	874,000	854,000	725,000
Revenues:	$9,803,000,000	$9,174,000,000	$4,127,000,000
Truck Rental			
Units in Service:	198,000	188,000	165,000
Revenues:	$3,222,000,000	$2,932,000,000	$1,001,000,000

Source: Hertz Corp.

Mid-Size Up by 13 Percent

NAFA's New-Car Acquisition Survey

The swing to mid-size cars by fleet managers is gathering momentum. During the 1986 model year, two out of every three new cars will be a mid-size unit, according to the annual new-car acquisition survey of the National Association of Fleet Administrators (NAFA).

In 1984, mid-size cars accounted for 35 percent of the new-car orders; in 1985 the figure jumped to 54 percent, and this year it will reach 67 percent. The popularity of the mid-size cars is coming at the expense of both compacts and large cars. Subcompacts are practically non-existent in commercial fleets, accounting for only one percent of the vehicles in service.

A total of 243 fleets participated in NAFA's new-car acquisition survey. They operate a total of 173,248 passenger cars. These fleets plan to acquire slightly more than 60,000 new cars during the 1986 model year, nearly 3,000 more than they acquired during the last model year.

A breakdown of the 243 responses reveals that 191 fleets are commercial firms in the United States. The balance is divided among 15 public utility fleets and 18 fleets for government agencies (see next month's issue for details on these two categories), and 19 Canadian-based fleets.

Other highlights of the survey are:

•AM/FM stereo, cruise control, and tilt steering wheel are growing rapidly as options ordered in every car by more and more fleets. If the trend continues they may be as common as automatic transmissions and air conditioning.

•Four-door sedans continue to dominate among the body styles selected by fleet managers. The new vans have been able to garner only three percent of the new-car orders.

•While only a handful of fleets are

U.S. COMMERCIAL FLEET SUMMARY

Group	Number of Cars	Owned	Leased	Sub Compact	Compact	Mid Size	Large	1985 New Car Acquisitions	1986 Planned New Car Acquisitions	Sub Compact	Compact	Mid Size	Large
Drug & Cosmetics (26)	18,921	2,441	16,480	300	1,843	15,901	877	7,696	7,788	150	669	6,663	306
Food & Beverage (21)	14,979	9,197	5,782	2	3,495	10,722	760	6,588	6,647	—	1,495	4,923	229
Chemical & Petroleum (31)	18,434	8,890	9,544	120	827	11,137	6,275	5,316	6,527	40	595	4,004	1,886
Insurance (32)	32,860	19,082	13,778	388	19,109	11,852	1,188	10,412	11,030	169	5,778	4,481	305
Manufacturing—Consumer (34)	22,533	14,388	8,145	30	3,102	17,030	1,621	8,602	8,698	3	680	7,494	271
Manufacturing—Industrial (34)	37,644	11,112	26,532	4	14,524	21,612	1,504	13,578	13,819	—	4,796	8,739	284
Financial (13)	1,907	1,197	710	42	318	1,295	252	649	607	10	135	420	42
Totals (191)	147,278	66,307	80,971	886	43,218	89,549	12,477	52,841	55,116	372	14,148	36,724	3,325

NOTE: Totals may differ for the sub-compact, mid size, and large current and planned acquisitions because not every answered this section of the questionnaire.

"Imports are still unable to gain a major share..."

making major changes in their new-car specifications, there may be a trend developing in engine specifications — a growing, but still relatively small, switch to four-cylinder engines for the mid-size cars.

•Imports are still unable to gain a major share of the fleet market. While 35 U.S. commercial fleets reported they have some imports in service, only 11 fleets plan to buy or lease imports in the 1986 model year. The most interesting comment abut the use of imports came from one U.S. government fleet manager who wrote the number of imports is "classified."

Insurance Group

The Insurance Group participating in the annual new-car acquisition survey consists of 32 fleets operating 32,860 passenger cars (19,082 company-owned, 13,778 leased). The current composition of those fleets is one percent subcompacts; 59 percent compacts; 36 percent mid-size cars, and four percent large cars.

During the 1985 model year, these fleets acquired 10,412 new cars. They plan to acquire 11,030 new units during the 1986 model year. Only one percent of these new cars will be subcompacts; 54 percent will be compacts; 42 percent mid-size cars, and three percent large cars.

Eighty-seven percent of the group's new cars will be four-door sedans. Six percent will be station wagons; three percent will be two-door and three-door models. One percent each of the new-car orders will be for five-door hatchbacks and mini-vans.

Two out of every three new cars will be middle-line vehicles; 23 percent will be bottom-line cars, and 10 percent will be top-of-the-line models.

Only one fleet in the Insurance Group is planning a major change in its vehicle size for 1986 — switching from mid-size cars to compacts. Three fleets are planning to order their new cars with standard transmissions. In two fleets they will be used in compacts and in the other fleet, they will used in subcompacts.

Three fleets in the group are planning to order some specialty cars during the 1986 model year, a total of 25 units. One fleet is planning to acquire a few imports, although four fleets reported they have some imports now in service, 35 units in all.

Of the 32 fleets in the group, 20 give the company-car operator some choice in vehicle selection. Sixteen fleets permit choice of make; 15 choice of model; one allows the employee to select the engine desired; two allow choice of transmission, while ten give the operator a choice of options to be installed on the new car — at his or her expense.

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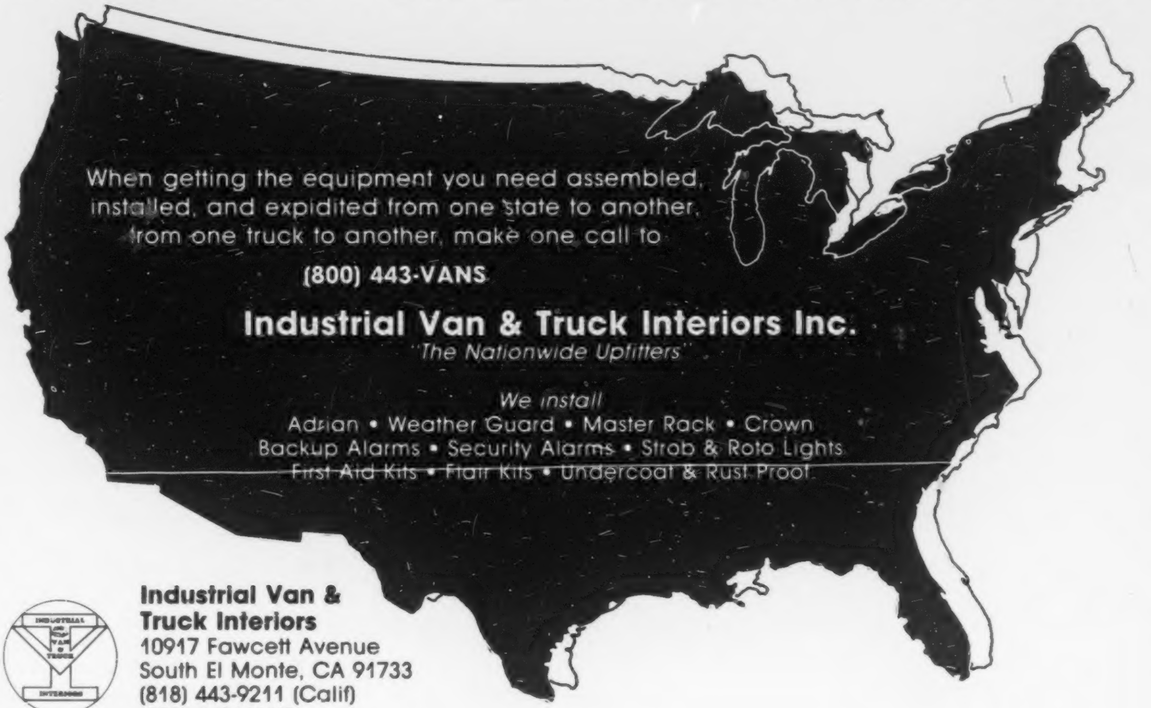

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Circle 142 on Inquiry Card

> **"Only one fleet in the group has any subcompacts..."**

Group follows a familiar pattern — most compacts are equipped with four-cylinder engines; mid-size cars with sixes, and large cars with eight-cylinder engines.

Food and Beverage Group

The Food and Beverage Group consists of 21 fleets operating 14,979 passenger cars (9,197 company-owned, 5,782 leased). The current composition of the group's cars is 23 percent compacts; 72 percent mid-size units, and four percent large cars. Only one fleet in the group has any subcompacts in its fleet.

The group acquired 6,588 new units during the 1985 model year and they plan to buy or lease 6,647 during the coming model year. Twenty-two percent of the new cars will be compacts; 74 percent will be mid-size cars, and four percent will be large cars. Not one fleet in the Food and Beverage Group is planning to make any major changes in its acquisition policy during the 1986 model year.

Some 62 percent of the group's new cars will be middle-line vehicles; 21 percent will be top-of-the-line models while 16 percent will be bottom-line cars.

Eighty-eight percent of the new-cars orders will be for four-door sedans; five percent for two-door sedans; four percent for vans, and three percent for station wagons.

Four fleets in the group are changing their engine specifications for 1986 — two are switching to turbos while the other two will be ordering four-cylinder engines for their mid-size cars. One fleet in the group plans to equip its cars with standard transmissions.

COMMERCIAL-FLEET PARTICIPANTS IN NAFA's ANNUAL ACQUISITION SURVEY

Group	1983	1984	1985
Insurance	40	39	32
Drug & Cosmetic	16	32	26
Food & Beverage	21	23	21
Chemical & Petroleum	18	29	31
Mfg./Consumer	23	21	34
Mfg./Industrial	31	39	34
Financial	—	—	13
Miscellaneous	25	14	—
Totals	**174**	**197**	**191**

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Circle 145 on Inquiry Card

"...both fleets are switching from compacts to mid-size..."

At the present time, every fleet ordering compacts equips them with four-cylinder engines; in fleets with mid-size cars, half have four-cylinder engines; the other half six-cylinder engines. Half of the large cars in the group are equipped with six-cylinder engines; the other half with eight-cylinder engines.

Two fleets in the group are planning to order a few specialty cars during the 1986 model year. One fleet reported it would acquire a handful of imports. Four fleets said they already had some imports in service, a total of 15 units.

All but four of the 21 fleets give the company-car operator some choice in the vehicle to be used. Sixteen permit a choice of car; nine allow the operator to select the model desired; three allow choice of engine; one allows choice of transmission, and 14 give the operator permission to order additional optional equipment, primarily power options — power windows and door locks.

Drug and Cosmetic Group

The Drug and Cosmetic Group, participating in the 1986 survey, consists of 26 fleets operating 18,921 passenger cars (2,441 company-owned, 16,480 leased). The current composition of the fleet is two percent subcompacts; 10 percent compact cars; 84 mid-size units, and four percent large cars.

The Drug and Cosmetic Group acquired 7,696 new cars during the 1985 model year and plans to acquire slightly more — 7,788 during the 1986 model year. Of the 1986 models being ordered, two percent will be subcompacts (all by one fleet); nine percent will be compacts; 85 percent will be mid-size cars, and four percent will be large cars.

Two fleets are planning major changes in their new car policies — both are switching from compacts to mid-size cars.

Two out of every three new cars in this group will be a four-door sedan. Seventeen percent will be two-door sedans. Seven percent of the new-car orders will be for both station wagons and five-door hatchbacks. Vans will account for two percent of the new-car orders; three-door hatchbacks will be one percent. Sport models account for less than one half of one percent of the new-car orders.

Sixty percent of the new-car orders are for middle-line units; 15 percent for top-of-the-line models, and 25 percent for bottom-line cars.

Five fleets in the group plan to order some specialty cars during the coming model year, a total of about 60 units. Two fleets are planning to acquire a few imports, while six fleets said they now have some imports in service, slightly more than 100 cars out of the total of more than 18,000 in the entire group.

Every fleet using compacts orders them with four-cylinder engines; the majority of fleets using mid-size cars equip them with six-cylinder power plants, while a ma-

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Circle 148 on Inquiry Card

"Nine fleets are planning to change engine specifications..."

jority of the large cars have eight-cylinder engines.

Nine fleets in the group are planning to change their engine specifications in their 1986 new-car orders. Five fleets are switching to four-cylinder engines in their mid-size cars; three fleets are changing to six-cylinder engines in mid-size cars. One fleet plans to order six-cylinder engines for its large cars.

Twenty-four of the 26 fleets give the company-car operator some choice in vehicle selection. Twenty-two permit choice of vehicle; 16 allow the operator to select the model desired; four permit choice of engine; one allows a choice of transmission, and 22 allows the employee to order additional optional equipment.

Chemical and Petroleum Group

The Chemical and Petroleum Group, responding to the 1986 model-acquisition survey, consists of 31 fleets operating 18,434 pas-

U.S. COMPOSITE SURVEY FLEET
1981-1985 Model Years

(Excluding Government & Public Utility Fleets)

	1981	1982	1983	1984	1985
Number of Cars in Fleet	750	762	632	758	771
Current Composition of Fleet					
Sub-Compacts	15	23	12	30	8
Compacts	348	404	323	311	231
Mid Size	320	282	240	349	470
Large	67	53	57	68	62
Actual Acquisitions in Previous Year	284	274	211	266	276
Planned New Car Acquisitions in Coming Model Year	302	284	232	279	288
Sub-Compacts	21	19	2	11	3
Compacts	205	185	133	75	75
Mid Size	67	74	81	151	193
Large	9	6	16	42	17

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Circle 154 on Inquiry Card

"...four-cylinder..."

senger cars (8,890 company-owned, 9,544 leased). The current composition of these fleets is one percent subcompacts (all in one fleet); five percent compacts; 60 percent mid-size cars, and 34 percent large cars.

The fleets in this group acquired 5,316 new cars during the 1985 model year. They plan to buy or lease 6,527 units during the 1986 model year. The new-car acquisitions will consist of one percent subcompacts (again all by one fleet); nine percent compacts; 61 percent mid-size vehicles, and 29 percent large cars.

Ninety-one percent of the new-car orders will be for four-door sedans. Four percent of the orders will be for stations wagons; two percent for vans, and one percent each for two-door sedans and five-door hatchbacks.

Sixty-six percent of the orders will be for middle-line units; 30 percent for bottom-line models and only four percent for top-of-the-line cars.

Two fleets in the group are planning major changes in their new-car policies. One is switching to mid-size cars; the other is moving to compacts.

Practically all compact cars are equipped with four-cylinder engines. The great majority of the mid-size cars are ordered with six-cylinder engines, and most of the large cars come with eight-cylinder engines.

Nine fleets in the group said they plan to make major changes in their engine policies during 1986. Four fleets are switching to four-cylinder engines for mid-size cars; three are moving down to six-cylinder engines in their large cars, while two are moving up in engine size — one is ordering six-cylinder engines in mid-size, the other is using six-cylinder engines in its compacts.

One fleet reported that it will switch to standard transmission in all its 1986 models.

Twenty-four of the 31 fleets in the Chemical and Petroleum Group give the car operator a choice in vehicle selection. All 24 fleets permit the driver to select the make of car desired (from a selector list, of course); 13 permit choice of model;

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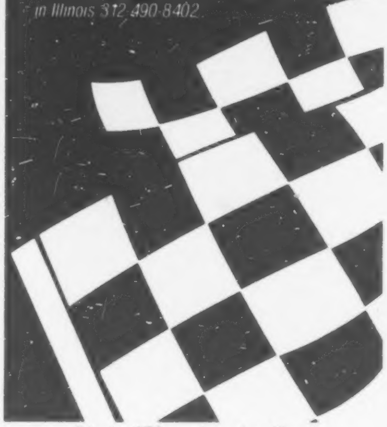

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Circle 153 on Inquiry Card

"...a trend apparent within the group."

seven allow the employee to choose the engine desired; three allow choice of transmission, but only nine of the 24 permitting a choice allow the operator to add optional items to the car.

Three fleets in the group plan to order a few specialty cars in the coming model year. Only one fleet plans to acquire any imports in 1986. Only one fleet reported that it had any imported cars currently in service — for a total of three units.

Manufacturing—Consumer Group

The Manufacturing—Consumer Group consists of 34 fleets operating 22,533 passenger cars (14,388 company-owned, 8,145 leased). The current composition of these fleets is 14 percent compacts; 78 percent mid-size cars, and seven percent large cars. Subcompacts, used in one fleet, account for less than one-half of one percent of the cars in the group.

The fleets in the group acquired 8,602 new cars during the 1985 model year. In 1986, they plan to buy or lease essentially the same number of vehicles — 8,698. Eight percent of the new-car orders will be for compacts; 89 percent for mid-size cars, and three percent for large units. Only one fleet plans to acquire any subcompacts. The one fleet in the group that will make a major change in new-car acquisition is dropping its subcompacts.

Eighty-one percent of the 1986 model year car orders will be for four-door sedans; 10 percent of the orders will go to station wagons; four percent each for vans and two-door sedans; one percent of the orders will be for five-door hatchbacks.

Eighty-one percent of the group's new-car orders will be middle-line models; 16 percent will be top-of-the-line cars, while the remaining two percent will be for bottom-line cars.

As is the case in the other groups, most fleets in the Manufacturing-Consumer Group equip their compacts with four-cylinder engines; their mid-size cars with six-cylinder engines, and large cars with eight-cylinders.

However, there may be a trend apparent within the group. Four fleets planning major changes in engine-use all say they are switching to four-cylinder engines in mid-size cars. Three fleets in the group are planning to equip new cars with standard transmission: In one fleet mid-size cars with six-cylinder engines; in one fleet with four-cylinder engines in mid-size cars, and in one fleet with four-cylinder compacts.

One fleet reports it is planning to acquire a few specialty cars during the 1986 model year; three fleets are planning to acquire some compacts next year. Twelve fleets say they have a few imported cars already in service, a total of 65 units out of the 22,000 cars now in the group's fleets.

Twenty-five of the 34 fleets in the Manufacturing—Consumer Group have a policy of choice in vehicle selection. Twenty-three fleets give the employee a choice of make of car; 16 permit a choice of model. Three fleets permit the operator to select the engine desired; two allow a choice of transmission. Sixteen fleets permit the operator to purchase additional items of optional equipment. Most specify that such items remain with the car when it is replaced.

Manufacturing—Industrial Group

The Manufacturing—Industrial Group, participating in the 1986 new-car acquisition survey, consists of 34 fleets operating 37,644 passenger cars (11,112 company-owned, 26,532 leased). The current composition of these fleets is 39 percent compacts; 57 percent mid-size, and four percent large cars. Two fleets have subcompacts, accounting for much less than one-half of one percent of the total units.

The fleets in this group acquired 13,578 new cars during the 1985 model year; in 1986 they plan to buy or lease 13,819 new units.

Thirty-five percent of the new units will be compacts; 63 percent will be mid-size cars, and two percent will be large cars. Not one fleet in the group plans to order any subcompacts during the 1986 model year.

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Circle 151 on Inquiry Card

“...all will be moving to smaller powerplants.”

Sixty-nine percent of the new-car orders will be for four-door sedans; 18 percent for station wagons; seven percent for two-door sedans, and five percent for vans.

Seventy percent of the new car orders will be for middle-line models; 13 percent for top-of-the-line units, and 16 percent for bottom-line cars.

As in most other groups, the fleets in the Manufacturing—Industrial Group will order compacts with four-cylinders; most mid-size cars with six-cylinder engines, and large cars with eights.

However, five fleets say they will be changing their engine specifications in 1986 — all moving to smaller powerplants. Four fleets will equip mid-size cars with four-cylinder engines, and one will put six-cylinders in its large cars.

Three fleets will specify that 1986 models are equipped with standard transmissions, two only in compacts, and one in all of its new cars.

What Are the Most Important Factors in Selection?

For the second year in a row, “Initial Cost” is the most important factor in fleet-car selection, according to 243 members who participated in NAFA's annual new-car acquisition survey.

A basic question in the survey asks members to rank in order of importance six factors in fleet-car selection. They are: Economy of Operation, Depreciation/Resale Value, Initial Cost, Serviceability (defined as freedom from down time), Prestige, and Fringe Benefit.

In this year's survey, the second-place factor is Depreciation/Resale Value. Economy of Operation ranks third, with Serviceability fourth, Prestige fifth, and Fringe Benefit sixth and last.

Seven groups ranked “Initial Cost” as the single most important factor in fleet-car selection — Chemical & Petroleum, Manufacturing—Consumer, Manufactuing—Industrial, Drug & Cosmetics, Public Utility, Government, and Canada.

Three groups said “Depreciation/Resale Value” was their most rimportant consideration. They are Insurance, Food & Beverage, and Banking.

The ratings for each group are:

Banking: Depreciation/Resale Value; Initial Cost, Economy of Operation; Serviceability, Prestige, and Fringe Benefit.

Chemical & Petroleum: Initial Cost, Economy of Operation; Serviceability, Depreciation/Resale Value; Prestige, and Fringe Benefit.

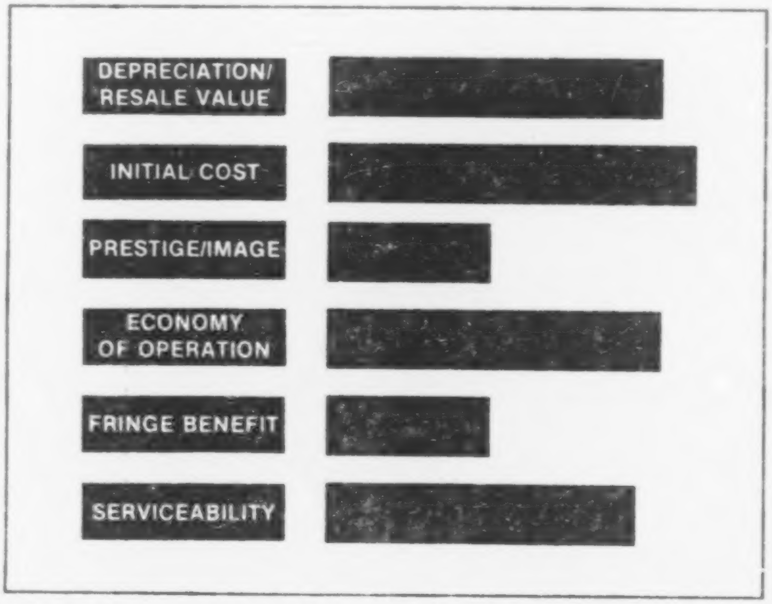
Manufacturing - Consumer: Initial Cost, Depreciation/Resale Value; Economy of Operation; Serviceability, Prestige, and Fringe Benefit.

Manufacturing—Industrial: Initial Cost, Deprication/Resale Value; Economy of Operation, Serviceability, Fringe Benefit, and Prestige.

Insurance: depreciation/Resale Value, Economy of Operation and Initial Cost tied for second place; Serviceability, Fringe Benefit, and Prestige.

Food & Beverage: Depreciation/Resale Value; Initial Cost, Economy of Operation; Serviceability, Prestige, and Fringe Benefit.

Drug & Cosmetic: Initial Cost, Depreciation/Resale Value; Economy of Operation; Serviceability, Prestige, and Fringe Benefit.



Public Utility: Initial Cost, Serviceability, Economy of Operation; Depreciation/Resale Value; Prestige, and Fringe Benefit.

Government: Initial Cost, Serviceability, Economy of Operation; Depreciation/Resale Value, Fringe Benefit, and Prestige.

Canada: Initial Cost, Depreciation/Resale Value; Serviceability, Economy of Operation; Fringe Benefit, and Prestige.

> **"Three fleets permit choice of engine..."**

Six fleets in the group report they will be ordering specialty cars in 1986, a total of 90 units. Two fleets plan to acquire a few compacts during the coming model year, while four fleets already have some imported cars in service, about 50 units altogether.

Twenty-seven of the 34 fleets give the company-car operator a voice in fleet-car selection. Twenty-six permit a choice of car make; 17 allow a choice of the model desired. Four fleets permit a choice of engine and three allow the operator to select the transmission needed. Nineteen permit choice of options.

Financial Group

A new group appearing in this year's survey consists of 13 banks and financial institutions. They operate a total of 1,907 cars (1,197 owned, 710 leased). The current composition of this group is two percent subcompacts; 17 percent compacts, 68 percent mid-size, and 13 percent large cars.

During the 1985 model year, these fleets acquired 649 new cars; they plan to buy or lease 607 in the 1986 model year. Of their planned acquisitions, two percent will be subcompacts; 22 percent compacts; 69 percent mid-size cars, and seven percent large cars.

Eighty-one percent of the planned acquisitions will be four-door sedans; 12 percent two-door sedans. Three percent of the orders will be for station wagons, and two percent each for vans and five-door hatchbacks.

Seventy-eight percent of the new-car orders will be for middle-line models, 16 percent bottom-line units, and six percent for top-of-the-line cars.

Three fleets will order some specialty cars in 1986. One fleet is planning to acquire one imported car, while four fleets now have a total of 10 imports in service.

Two fleets in the Financial Group are planning major changes in their engine specifications. One will order turbo-charged engines for its mid-size cars, the other plans to use four-cylinder engines in its mid-size vehicles. One fleet will order all 1986 models with standard transmission.

At the present time, this group follows the usual practice of equipping compacts with four-cylinder engines; mid-size cars with sixes, and large cars with eights.

Ten of the 13 fleets in the group give the company-car operator a choice in vehicle selection. Every fleet giving this choice permits the operator to select the make of car desired; six allow a choice of model. Three fleets permit choice of engine and two allow a choice of transmis-

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BUERGE AMC-JEEP-RENAULT
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Fleet Sales Leaders

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The Ford Store

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AMC
Jeep
RENAULT

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"AM/FM will be standard..."

sion. Only three of the 13 fleets permit the operator to add optional equipment items to the standard vehicle specifications.

Options as Standard Equipment

For many years fleet cars in all size categories have been well equipped — almost all fleets order all cars with air conditioning, automatic transmission, power disc brakes, and power steering. In this year's survey, three additional items of optional equipment are being ordered more than ever before.

Of 105 fleets ordering some large cars, 93 are equipping all units with AM/FM stereo radios; 81 are ordering all cars with cruise control, and 69 are equipping them with tilt steering wheel.

In the survey, 166 fleets are planning to order midsize cars. Of the 166, 131 are specifying AM/FM stereo, 114 are ordering cruise control on all units, and 66 are equipping cars with tilt steering wheel.

Seventy-nine fleets plan to order compact cars during the 1986 model year. AM/FM stereo will be standard equipment for 60 of these fleets' compact cars. Forty fleets are equipping all units with cruise control, while 20 are specifying tilt steering wheel.

Among the 15 fleets acquiring subcompacts, 11 are ordering them with AM/FM stereo, five with cruise control, and three with tilt steering wheel. AF

Quality is not Expensive ...it's Priceless!

Art Wing
National Fleet Director
312/429-3000

Apple Chevrolet
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LONGO TOYOTA

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#1 TOYOTA FLEET DEPT. IN U.S.A.

Gene Hust
Fleet Manager

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—We Drop Ship Anywhere in U.S. To Major Accounts
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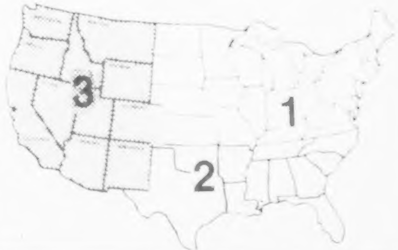
Used Cars

The following are average car prices for the period ending September 4, 1985. Prices are based on wholesale activity at major dealer auctions across the country. They are divided into three zones as indicated on the accompanying map. These averages are calculated electronically on IBM machines. They are based on clean cars only. Proper allowance should be made for upgrading sharp cars and proper deduction taken for fair cars. Automatic transmissions have been included in the averages of all models. This information is published in *Automotive Fleet* by special permission of Automotive Market Report.



	AVERAGE AUCTION PRICE		
Model	Zone 1	Zone 2	Zone 3
83 AMC ALLIANCE			
Sdn 4DR L Series	3710	3748	3675
83 AMC CONCORD			
Sdn	3846	3881	3808
83 BUICK SKYLARK			
Sdn Custom	4421	4466	4379
82 BUICK SKYLARK			
Sdn	3622	3658	3586
83 BUICK REGAL			
Sdn	5778	5838	5721
Cpe	5940	5998	5882
82 BUICK REGAL			
Turbo Cpe	5305	5358	5250
Cpe	5392	5448	5337
83 BUICK CENTURY			
Sdn Custom	5731	5787	5671
82 BUICK CENTURY			
Sdn Custom	4853	4899	4804
83 CADILLAC			
Cpe DeVille	9885	9985	9788
Sdn DeVille	9828	9927	9728
82 CADILLAC			
Cpe DeVille	8164	8240	8077
Sdn DeVille	8110	8192	8031
83 CHEVY			
Chvt Htchbk 4 Dr	3397	3435	3367
Camaro Cpe 8	6407	6469	6343
82 CHEVY			
Chvt Htchbk 4 Dr	2693	2721	2670
Camaro Cpe 8	5536	5589	5479
83 CHEVY CELEBRITY			
Sdn	5300	5351	5243
82 CHEVY CELEBRITY			
Sdn	4485	4527	4440
83 CHEVY CAVALIER			
Sdn	4493	4539	4447
82 CHEVY CAVALIER			
Sdn	3539	3576	3506
83 CHEVY CITATION			
Cpe 6	3556	3592	3518
82 CHEVY CITATION			
Cpe 6	2754	2782	2723
83 CHEVY MALIBU			
Clas Sdn	5201	5254	5150
Clas Sta Wgn	5414	5468	5359
82 CHEVY MALIBU			
Clas Sdn	4336	4379	4293
Clas Sta Wag	4526	4569	4479
83 CHEVY MONTE CARLO			
Cpe	6002	6061	5942
82 CHEVY MONTE CARLO			
Cpe	5036	5087	4984
83 CHEVY IMPALA			
Sdn	5568	5625	5514
82 CHEVY IMPALA			
Sdn	4467	4513	4426
Wgn 9	4667	4513	4426
83 CHEVY CAPRICE			
Sdn	6326	6296	6172
Sta Wag	6451	6513	6384

	AVERAGE AUCTION PRICE		
Model	Zone 1	Zone 2	Zone 3
83 CHRYSLER			
E Class Sdn	5351	5405	4299
82 CHRYSLER			
New Yorker Sdn	6544	6610	6479
83 DODGE OMNI			
4 Dr Cust	3414	3448	3381
82 DODGE OMNI			
4 Dr Cust	2596	2622	2569
83 DODGE ARIES			
Cpe	3990	4032	3952
82 DODGE ARIES			
Sdn	3057	3087	3025
83 DODGE DIPLOMAT			
Slt Sdn	4559	4603	4513
82 DODGE DIPLOMAT			
Slt Sdn	3679	3717	3643
83 FORD FAIRMONT			
Futura 6-Cyl Sdn 4 Dr	3884	3921	3844
82 FORD FAIRMONT			
Futura Sdn 4 Dr	3093	3125	3065
83 FORD MUSTANG			
L Cpe 4	4278	4320	4235
82 FORD MUSTANG			
L Cpe 4	3468	3505	3435
83 FORD LTD			
Sdn	4615	4662	4569
82 FORD LTD			
Sdn	4626	4674	4579
83 FORD ESCORT			
Htchbk 4 Dr	3941	3983	3899
83 FORD CROWN VIC			
Sdn	7005	7077	6933
82 FORD CROWN VIC			
Sdn	5476	5534	5423
83 FORD THUNDERBIRD			
Cpe	6338	6403	6275
82 FORD THUNDERBIRD			
Cpe	4978	5025	4927
83 LINCOLN CONTINENTAL			
Sdn	9755	9853	9660
Mark VI Cpe	12143	12262	12021
82 LINCOLN CONTINENTAL			
Sdn	8253	8336	8172
Mark VI Cpe	10084	10186	9987
83 MERCURY COUGAR			
Cpe	6446	6508	6383
82 MERCURY COUGAR			
GS Cpe	3698	3734	3660
83 MERCURY LYNX			
HtchBk 2-Dr	3291	3325	3260
83 MERCURY MARQUIS			
Sdn	4671	4720	4627
82 MERCURY MARQUIS			
Sdn	4878	4927	4828
Wgn-2S	5031	5079	4978
83 OLDS CIERA LS			
Cpe	5648	5705	5592
Sdn	5723	5780	5664

	AVERAGE AUCTION PRICE		
Model	Zone 1	Zone 2	Zone 3
83 OLDS CUTLASS SUPREME			
Cpe	6286	6350	6223
Sdn	6111	6175	6053
82 OLDS CUTLASS SUPREME			
Sdn	5182	5232	5131
Cpe	5384	5439	5329
83 OLDS DELTA 88			
Sdn	6281	6344	6223
82 OLDS DELTA 88			
Sdn	4822	4869	4775
83 OLDS DELTA 98			
Sdn	8666	8751	8578
82 OLDS DELTA 98			
Sdn	7126	7202	7055
83 OLDS OMEGA			
Sdn	4421	4466	4379
82 OLDS OMEGA			
Sdn	3622	3658	3586
83 OLDS FIRENZA			
Sdn	4721	4768	4672
82 OLDS FIRENZA			
Sdn	3896	3936	3855
83 PLYMOUTH HORIZON			
4 Dr Htchbk	3422	3457	3386
83 PLYMOUTH RELIANT			
Cpe	4002	4041	3961
82 PLYMOUTH RELIANT			
Cpe	3201	3234	3170
83 PONTIAC FIREBIRD			
Cpe 8	6473	6538	6410
83 PONTIAC 6000			
Cpe	6620	6686	6551
Sdn	5572	5624	5513
82 PONTIAC 6000			
Cpe	4688	4736	4644
83 PONTIAC GRAND PRIX			
Cpe	6194	6255	6130
83 VOLKSWAGEN JETTA			
4 Dr Sdn	5196	5274	5143
82 VOLKSWAGEN JETTA			
4 Dr Sdn	4408	4452	4363
83 VOLKSWAGEN L SERIES			
2 Dr Htchbk	3996	4035	3956
82 VOLKSWAGEN RABBIT			
2-Dr Htchbk	3061	3091	3030
83 DATSUN			
Sentra 2 Dr Std Sdn	3523	3558	3448
Stanza Hbk 4 Dr Dlx	4801	4849	4753
82 DATSUN			
210 Std 2 Dr	2582	2608	2556
Sentra 2 Dr Std Sdn	2924	2954	2895
Stanza Hbk 4 Dr Dlx	3977	4017	3938
83 TOYOTA			
Corolla Sedan 2 Dr	4351	4394	4307
Celica St	6259	6321	6196
Camry Sedan	7072	7143	7001
82 TOYOTA			
Corolla 2 Dr Sdn	3554	3589	3519
Celica St Cpe	5083	5134	5032